

The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, JANUARY 2, 1931

BEYOND MAN POWER

The latest of all terms applied to life insurance development is Man Power. Man Power is the key which is opening the door to greater life insurance service to the nation.

National Life Insurance Company of the United States of America

A. M. Johnson, Chairman of the Board

has definitely met the necessity of making the personnel of this increased organization truly effective in its service to the public—with increased profits to man power campaign recruits and veterans alike. The reasons—

Comprehensive, practical sales preparation course
Five Point Complete Protection
Family Income Policy
Term Expectancy
Liberal underwriting with Non-medical and Sub-standard
Participation on Certain Fully Paid-up Policies
Excess interest payments on income settlements and funds left on deposit
Juvenile Insurance—20 Payment Life and Endowment at age 21
Liberal compensation on guaranteed low cost policies
Elimination of policy restrictions
Modified Life
Total and Permanent Disability
Double Indemnity
Prompt, Efficient service to policyholders and beneficiaries

Established 1868

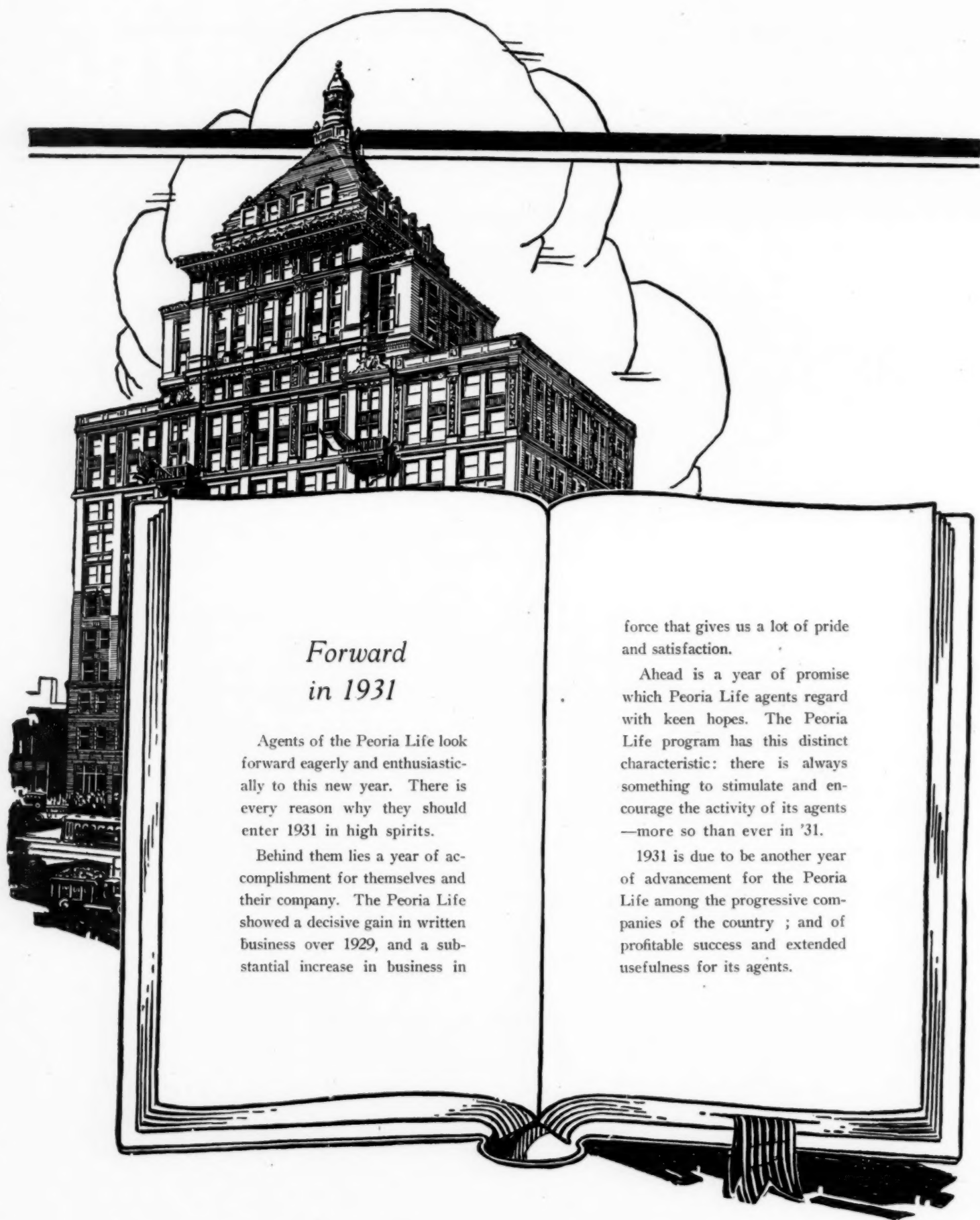
NATIONAL LIFE INSURANCE COMPANY of the UNITED STATES OF AMERICA

Robert D. Lay
President

Walter E. Webb
Executive Vice-President

29 SOUTH LA SALLE STREET, CHICAGO

A Fine OLD Company for Ambitious YOUNG Men



Forward in 1931

Agents of the Peoria Life look forward eagerly and enthusiastically to this new year. There is every reason why they should enter 1931 in high spirits.

Behind them lies a year of accomplishment for themselves and their company. The Peoria Life showed a decisive gain in written business over 1929, and a substantial increase in business in

force that gives us a lot of pride and satisfaction.

Ahead is a year of promise which Peoria Life agents regard with keen hopes. The Peoria Life program has this distinct characteristic: there is always something to stimulate and encourage the activity of its agents—more so than ever in '31.

1931 is due to be another year of advancement for the Peoria Life among the progressive companies of the country; and of profitable success and extended usefulness for its agents.

Peoria Life Insurance Company

PEORIA, ILLINOIS

THE NATIONAL UNDERWRITER Life Insurance Edition. Published weekly by The National Underwriter Company. Office of publication, 175 W. Jackson Blvd., Chicago, Ill. Thirty-fifth year. No. 1. Friday, January 2, 1931. \$3.00 per year, 15 cents per copy. Entered as second-class matter June 9, 1900, at postoffice at Chicago, Ill., under act of March 3, 1879.

Open
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1931

We now take into our lives the invigorated spirit which a new year always brings. It will be a difficult year, at least in its early portion. But if underwriters meet difficulty with aggressiveness, intelligence, and ability, plus intenser industry, they will conquer adverse conditions to a very large degree.

The country is crammed with money eager for investment. Unemployment affects only a small portion of our population. Timidity is ruling a very large portion. We must have sharper prospecting than in 1930. Greater determination in our interviews. Know our goods better. Create stronger desire for them. Put more hours into our work.

In brief, we must so organize our systems, our time, our ability, our determination, our industry, that wastage of effort and opportunity shall be at the irreducible minimum. The man who does this in 1931 will not bow down to the depression, and when it ends and prosperity has come again, he will find himself then and thereafter equipped with unbeatable sales power for the larger things of that expanded life.

WM. A. LAW, *President*

Wm. H. Kingsley, *Vice President* Hugh D. Hart, *Vice President*

J. V. E. Westfall, *Vice President*

THE PENN MUTUAL LIFE INSURANCE CO.
PHILADELPHIA

Independence Square

Founded 1847

DO THEM A FAVOR

THERE are scores of good salesmen in mercantile lines now unemployed.

Do them a favor by telling them of the rare opportunities offered by this Company. Ask them to apply to us for full information. Our general agents would coach them.

We need more field men and managers, and want to hear from competent, industrious men.

Ask for our list of openings in the following States.

INDIANA MICHIGAN
COLORADO OHIO

THE BANKERS RESERVE LIFE COMPANY

Home Office: OMAHA, NEBRASKA

BUSINESS IN FORCE, \$133,000,000.00

Openings in the following states:

Alabama Georgia
Florida Tennessee
Ohio West Virginia
District of Columbia

FREE FROM WORRY AGENTS

During these times of depression our representatives are able to give their entire time to rendering the greatest possible service to their prospects and policyholders and are maintaining good production records. Our policies are so liberal, our compensation so equitable and life insurance is so fundamentally sound that they have nothing except the unprovided for needs of their field to worry about.

THE GEM CITY LIFE

INSURANCE COMPANY OF DAYTON, OHIO

The Rapidly Growing Company

GIRARD LIFE INSURANCE COMPANY

Opposite Independence Hall
Philadelphia, Pennsylvania

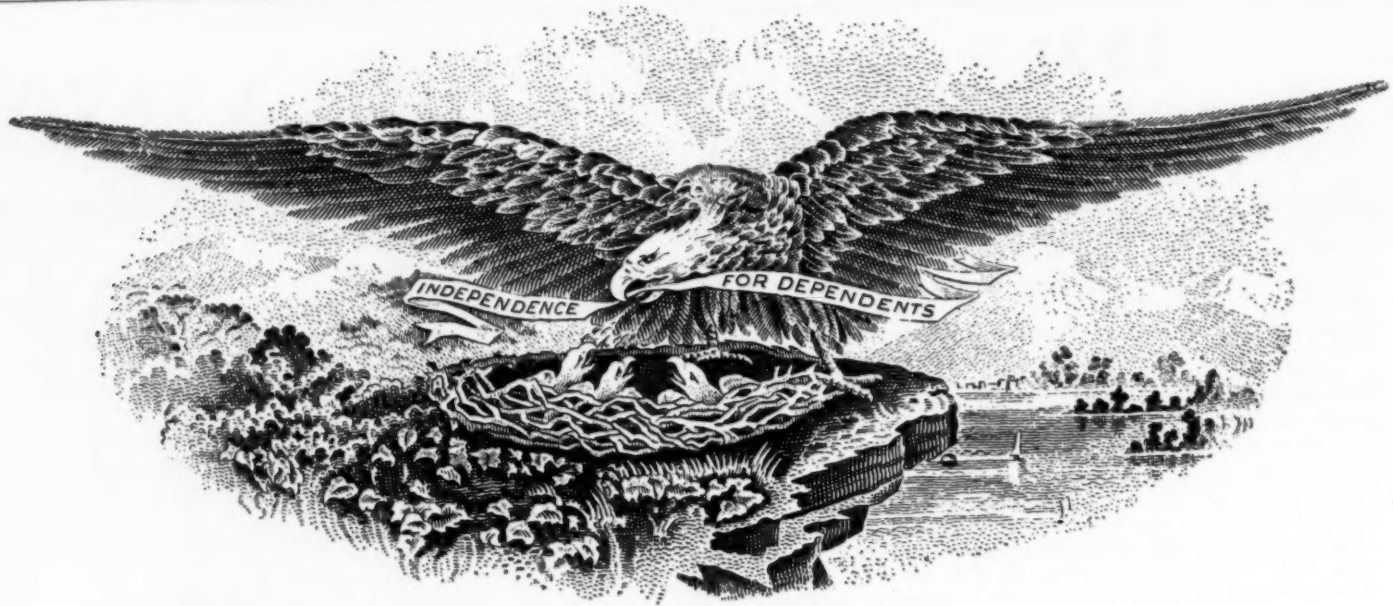
Has excellent General Agency openings in Ohio and Michigan under—

A GENERAL AGENCY CONTRACT WHICH MEANS

Larger first year commissions
Longer renewals
Larger overwriting commissions
All standard forms of policies (Participating and Non-Participating)
Liberal disability benefits
Double Indemnity benefit
Guaranteed annual reduction in the premium
Also cash dividends
Low net cost
Real Home Office Service

Twenty-three years of careful and conservative management has made the Girard Life one of the financial giants (assets over liabilities) in the life insurance field, with the distinction of having the highest possible rating—EXCELLENT. We seek General Agents of high character and ability, who are willing to devote their entire effort to organization and development of a General Agency.

Write us giving a word picture of yourself and your experiences. Your correspondence will be treated as confidential.



Just Reinsurance That's All.



***The* Reinsurance Life**

DIVISION OF
Security Life Insurance Co. of America
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The National Underwriter

LIFE INSURANCE EDITION

Thirty-Fifth Year No. 1

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JANUARY 2, 1931

\$3.00 Per Year, 15 Cents a Copy

Inter-Southern Deal Is Closed

New Directors Are Elected Representing the Keystone Holding Company

PADDOCK GOES ON BOARD

Ownership of Stock of Home Life of Little Rock Will Help Its Condition

With representatives of the Keystone Holding Company elected to the board of the Inter-Southern Life and with two representatives of that organization on the Missouri State Life board, the business of restoring the various life insurance properties involved in the Caldwell & Co. crash to an orderly basis is under way.

Most of the mystery surrounding the transaction has been dissipated except that the Keystone Holding Company has not issued a formal statement as to the financial houses lending their support to the deal. Reports have been printed in some daily newspapers naming Hallgarten & Co., as backers, and President C. G. Arnett of the Inter-Southern Life is quoted as naming that house. It is one of the oldest members of the New York Stock Exchange and is generally regarded as a strong house.

Paddock Goes on Board

Except for George A. Paddock of the securities division of the Central Trust Company of Chicago, the other new directors of the Inter-Southern are men associated with M. J. Dorsey in the ownership or management of the Northern States Life of Hammond, the Security Life and the Reinsurance Life Division of the Security Life of Chicago. The election of Mr. Paddock to the board of directors naturally prompted speculation that the Central Trust Company was one of the financial institutions interested in the transaction. It is known that the Central Trust Company has been one of the bankers for the Security Life of Chicago for some time, but the Central Trust Company states that it is not interested as a bank in the Inter-Southern deal.

Other Directors

In addition to Mr. Dorsey and Mr. Paddock the other new members of the Inter-Southern board are Bertram Day, president of the Northern States Life, director of the Security Life and vice-president of the Keystone Holding Company; C. Edwin Johnson, vice-president of the Security Life and the Northern States and treasurer of the Keystone Holding Company; H. S. Tressel, secretary of the Keystone Holding Company and of the Security, and secretary-treasurer of the Northern

(CONTINUED ON PAGE 11)

Tyrrell on Insurance Year

Northwestern Mutual Historian Reviews Disability Change, Lapsation Trend, Seaworthiness of Business, C. L. U., Holding Company Evil, Appreciation of Insurance as Property

By HENRY F. TYRRELL
Legislative Counsel, Northwestern Mutual Life

Based on figures available as of Dec. 1, 1930 and on a conservative estimate of the December business, it is safe to assert that the total amount of new life insurance put in force in the United States in 1930 (exclusive of group, industrial, and fraternal) was approximately \$12,500,000,000, which is a decrease of about four percent as compared with that of 1929.

This justifies the observation that life insurance is the only institution, national in scope, which produced a volume of new business in 1930 substantially as large as that of any like period in its experience.

The real significance of this statement, which at first appears of tremendous importance, is better revealed on analysis.

As a matter of fact, the placement of life insurance in 1930 was separated into two distinct periods, with July 1 as the dividing point.

The first six months witnessed an appreciable and altogether gratifying increase, while the last six months showed a steady and disappointing decrease of about one percent a month.

Result of Disability Deadline Is Shown

Such a condition could not have been the result of mere chance, and it is logically ascribed to extraordinary efforts by agents to get new business before the disability revision became effective July 1, and to a reaction from the extra pressure attendant upon such push.

If this theory is accepted, it naturally carries with it the disconcerting corollary that the latter part of 1930 was the more normal portion, and this holds out little hope for the immediate future.

There were also noticeable increases in surrenders, lapses, and policy loans, resulting, naturally enough, from the stock market crash, and from the ensuing economic depression which has since involved every section of the Union.

It is well to deal at once with lapsation, and, in passing, may not even a reviewer observe that it is regrettable that in time of financial stress, men are so easily persuaded to drop their life insurance?

Sales Bureau Analyzes Lapses Geographically

Data furnished by the Life Insurance Sales Research Bureau permit an interesting analysis of the geographical variances in lapses. These figures definitely show that increased lapsation was experienced in localities suffering relatively decreased output. New York, for example, had a materially greater lapse increase than the rest of the country, while Maine (also eastern, but largely rural) not only had a better record than the country generally, but it actually

had a better lapse experience in 1930 than it had in 1929.

All states, with the exception of Maine, South Dakota, Nebraska, South Carolina, Florida and Wyoming, had a higher lapse rate in 1930 than in 1929, and it is significant that the highest lapsation was in states having metropolitan centers, such as New York, Ohio, Illinois and Pennsylvania.

The best showing was made by the south-Atlantic states, closely followed by the west north central. In these sections lapses were only slightly above those of 1929, due, probably, to the fact that they were not especially involved in the stock market and were not as much concerned with industrial depression.

Relation Between New Business and Loans

Consideration of cause and effect as applied to surrenders and policy loans would be interesting, but figures are not available on which to base definite conclusions. The guess may be ventured with reasonable certainty, however, that both surrenders and policy loans in a given locality increased in proportion to the decrease in new business.

The outstanding feature of 1930, as has been disclosed, was the marked periodical inflation and deflation in new business.

The insurance commissioners at their Toronto meeting in 1929 made a definite modification in disability rates and adopted uniform clauses which became effective July 1, and agents everywhere made this the excuse for an intensive campaign for new business before that date. Just how far a reviewer is supposed to comment on that sort of thing, or may be justified in so doing, is probably a fair question for debate, and rather than take any chances, this particular reviewer simply calls attention to the fact, and remains "ingloriously mute" as to the rest. He can not stay silent, however, as to appreciation of the brave and logical stand taken by the commissioners, who operated entirely in the interests of the public and in protection of the splendid institution of life insurance, even against itself.

While this circumstance had the effect temporarily to increase sales, the persistent business depression, and its accompanying financial stringency, had the opposite.

Appreciation of Life Insurance as Property

The reduction of incomes and the need for more cash in 1930 also awakened the public to a real appreciation of life insurance as valuable property. Its time-recognized function as indemnity gave way to a broader appreciation of

(CONTINUED ON PAGE 9)

1930 Payments \$2,800,000,000

Estimate of Benefits Under All Forms of Insurance for Past Year

FIGURES OF B. D. FLYNN

Travelers Official Says This Year's Payments Will Exceed 1929 by \$300,000,000

The year 1930 will go down as one in which the largest grand total of payments has been made to policyholders and beneficiaries as benefits under all kinds of insurance in the United States, according to B. D. Flynn, vice-president and actuary of the Travelers. The amount, as nearly as can be determined before company reports have been made available for the year, will exceed the 1929 total of payments by about \$300,000,000 it is said.

The payment of benefits in 1930 is placed at approximately \$2,800,000,000, an average of more than \$9,000,000 for every business day of the year. More than \$2,000,000,000 of the grand total, it is explained, will include benefits to policyholders and beneficiaries under policy forms which protect people, such as life, accident, liability and compensation insurance, while the remainder will consist of payments under policy forms protecting property.

Life Insurance Distribution

Death, matured endowments, annuities and surrenders will account for the distribution of more than \$1,500,000,000 under life insurance. As a result of the occurrence of accidents causing personal injury, approximately \$600,000,000 will be distributed. This latter figure includes payments under personal accident, workmen's compensation, automobile liability and other forms of public liability insurance contracts, and amounts paid for death benefits under life policies.

Fire, windstorm, collision, burglary, embezzlement, explosion and other hazards to which property is exposed will account for the payment during the year of nearly \$700,000,000. More than one-half of this amount, it is said, will have been paid out because of fire involving general property and motor vehicles. The automobile, either because of fire or collision with persons and property, will be responsible for the payment of more than \$270,000,000 of which amount more than \$175,000,000 will be the result of the injuring of persons.

The total payment of benefits in 1930 under all forms of insurance is regarded with significance. The increase of about 10 percent in the entire disbursement over 1929 has taken place during a period when income, whether in the form of wages or earnings, has as a whole been less than during the preceding

(CONTINUED ON PAGE 11)

Caldwell's Life Holdings Among Most Liquid Assets

OTHER PROPERTIES INVOLVED

Arnett Defends Practice of Insurance Companies Owning Stock in Other Insurance Companies

LOUISVILLE, Dec. 31.—Naming of nine new directors for the Inter-Southern Life as representatives of the Keystone Holding Company marks a new epoch in Inter-Southern history. Control of the company was local prior to its purchase by Caldwell & Co. interests, which placed control in Nashville or the south. Now control goes to Chicago territory.

The Inter-Southern is guided by a directorate of 21. Several of these are local men; some are company officials, but in any event the Keystone interests will have complete say in the future of the company policy.

According to newspaper stories in Louisville last week, which while not confirmed were not denied, the old house of Hallgarten & Co. of New York, second oldest of New York Stock Exchange members, is behind Keystone Holding Company, and put up the money whereby more than \$2,000,000 was placed in the American National Bank of Nashville a week ago, to be held in escrow in the deal whereby controlling interest in the Inter-Southern was purchased from the Caldwell interests by Keystone. It was a big task in view of the fact that the stock, in various amounts, had been used as collateral on various Caldwell & Co. loans. The sale to Keystone had to be officially approved by a federal judge at Nashville, and the stock reassembled.

Arnett's Theory

It was a big task, which appears to have been well handled. It also bears out a statement made some weeks ago by C. G. Arnett, president of the Inter-Southern, who held that whereas there had been some criticism of life companies holding stocks of other life companies, still the most liquid assets of Caldwell & Co., or of the Inter-Southern, other than government bonds or policy loans, represented good insurance stocks, as there is always a ready market for such stocks, if held in large lots, which tend towards control. He also argued that values of large lots can not be measured by the same yard rule that applies to five or ten share lots as traded on stock exchanges, as small lots have little or no bearing on control. Large blocks of insurance stocks have held well in depressed markets.

Controlling interest in the Inter-Southern, which carried with it a large block of Missouri State Life, which in turn holds large interest in the Southwestern of Dallas; while the Inter-Southern holds blocks in the Home Life, Home Fire and Home Casualty of Little Rock and Southeastern Life of Greenville, S. C., represents one of the very first assets of the defunct Caldwell & Co., to be realized upon by the receivers of Caldwell & Co.

Completion of the sale of the Inter-Southern to Keystone takes the Inter-Southern out of a trying situation, with Caldwell & Co. in receivership on the one hand and Banco Kentucky, affiliated with Caldwell, on the other.

CALDWELL QUOTED ON SECURITIES

In a copyrighted interview in the Nashville "Tennessean," a former Caldwell property manager by Col. Luke Lea, Rogers Caldwell is quoted as vehemently denying that he sold securities to the Missouri State Life which were not up to standard.

"That is absolutely untrue," Mr. Caldwell is quoted by T. H. Alexander. "At the last meeting of the board of directors which I attended the president of the company reported to the board

Aetna's Home Office Building Opens with New Years Party

The handsome new home office building of the Aetna Life group at Hartford was opened New Year's day with employees, their relatives and friends thronging the corridors and inspecting every feature of the new plant. Officials of the Aetna believe that their building is the largest single insurance edifice in the world devoted entirely to the use of one group of companies.

Visitors at the opening were escorted through the new building by guides recruited from among the Aetna's 2,600 employees. During the afternoon the guests were entertained by an organ recital in the auditorium, which has been named the Bulkeley Memorial Hall in honor of Judge Eliphalet Bulkeley, founder of the Aetna Life; M. G. Bulkeley, third president and President Morgan Bulkeley Brainard.

The new building is set in a natural park of 22 acres, near a grove of magnificent old trees about a mile west of the business section, but in almost the exact geographical center of Hartford.

The building is 660 feet in length and 232 feet at its widest point. The pinnacle of the golden dome on the cupola is 232 feet from the base level.

Colonial Office Building

J. G. Rogers, the architect, declares that the new plant of the Aetna is the largest building of colonial design in the world, representing an adaptation of early Connecticut architecture to the requirements of a modern office building. It is constructed for the most part of Connecticut red brick and brownstone with many of the details, particularly those of the cupola on the

east and west porticoes taken from the old Connecticut state house. Above the main doorway, approached by a wide esplanade, are three bronze bas reliefs typifying protection, assurance and thrift.

In the central entrance hallway, the beautifully executed doors of wrought iron drill work are prominent. Directly facing the main entrance is the high relief bronze of E. A. Bulkeley, which was carefully moved from its former location in the home office building.

Executive Offices

The executive offices are located on the eighth floor. The colonial spirit has been faithfully carried out there. The directors' room is a copy of the stately drawing room in the Matthias Hammond house at Annapolis, Md., which was built about 1770. Under the crystal chandeliers there is a hand-carved mahogany table, originally owned by Thomas Jefferson, around which for 30 years or more the Aetna's directors have sat. The pine room is finished in the actual hand paneled walls and ceiling of the colonial period. These, together with the fireplace fittings, were taken intact from an old homestead located near Torrington, Conn.

On the wall of President Brainard's office hangs a portrait of the late M. G. Bulkeley. The offices of Vice-president Brewster and Vice-president Westbrook are also located on this floor. All of the offices on this floor open upon a roof garden which commands a splendid view of Hartford and the Connecticut valley.

T. E. Hambleton Carried a Large Line of Insurance

BALTIMORE, MD., Dec. 31.—T. Edward Hambleton, head of Hambleton & Co., investment bankers, who committed suicide Dec. 23, carried more insurance than any other man in Maryland having been insured for \$4,504,000, which was distributed among 28 companies. The largest amount, \$565,000, was carried by the Massachusetts Mutual, and the second largest by the Mutual Life, 490,000, while the balance was distributed among 26 other companies, the lowest amount being \$10,000.

that, of all the securities bought by the Missouri State since Caldwell & Co. became identified with its management embracing many millions of dollars only one small church loan of \$25,000 was in default of either principal or interest. That was a technical default which the president said would soon be corrected. The securities bought through Caldwell & Co. by the Missouri State are of far superior character to those bought before our identity with the company and the securities which we sold the Missouri State would compare favorably with those of any insurance company in the world.

Mr. Caldwell is quoted at length as stating that he is ambitious to reestablish Caldwell & Co. and repay his debts. The interviewer quizzed Mr. Caldwell on many angles of his affairs as well as his opinion on various economic, social and political matters.

New Protective Publication

The Protective Life of Birmingham has begun publication of a weekly agency bulletin called "Field Flashes." It will carry instructive and inspirational messages to agents and will not conflict with the monthly publication, "Life Lines."

Equitable General Agents Group to Meet in Chicago

The executive committee of the General Agency Association of the Equitable Life of New York will meet probably in Chicago Jan. 16. President T. I. Parkinson of the company is to address the Chicago Association of Life Underwriters about that time and the arrangement was made so the Equitable men could confer with him. The meetings usually are held in New York. Courtenay Barber, Chicago, is president, and W. M. Duff, Pittsburgh, chairman of the association. E. M. Crutchfield, Richmond, Va., is secretary. Mr. Crutchfield will go from Chicago to attend the company's southern managerial conference in Atlanta later in January.

Charles E. Clarke Dead

Charles E. Clarke, president of the Peninsular Life of Jacksonville, Fla., died at his home there this week. Mr. Clarke was one of the founders of the Industrial Insurers Conference, serving as chairman of its executive committee in 1913-14 and as president in 1915-17. He had been in rather poor health for some years, but whenever he was able to attend one of the meetings of the conference he was always regarded as an honored guest.

North Dakota Insurance Records Saved From Fire

Commissioner Olsness of North Dakota informs THE NATIONAL UNDERWRITER that no insurance department records were lost in the fire which destroyed the North Dakota state capitol at Bismarck, Sunday. The capitol was insured in the state fire and tornado fund and the excess over \$95,000 was reinsured in about 50 private fire insurance companies. Mr. Olsness is occupying temporary headquarters in Bismarck.

Ruling on Estate Tax Is Reaffirmed by Treasury

TO ELIMINATE CONFUSION

Opinion of U. S. Court in Parker vs. Routzahn Not Applicable to General Principle

The Bureau of Internal Revenue has reaffirmed its estate tax ruling on the proceeds of life policies, which was made Oct. 28 in response to a request from the committee of the National Association of Life Underwriters headed by Julian S. Myrick. The reaffirmation came in the form of an observation on the recent decision of the United States district court for the northern district of Ohio in the case of Parker vs. Routzahn.

In Parker vs. Routzahn the court concluded that an assignment of money to become due in the future, in consideration of love and affection, was, legally speaking, incomplete for the reason that not being based on a valuable consideration, it was revocable at the option of the grantor.

David Burnet, commissioner of internal revenue, stated that the principle enunciated by that court is "not applicable to the assignment of a policy of life insurance and that where the assured under a life insurance policy taken out by himself absolutely and irrevocably disposes of all the legal incidents of ownership therein otherwise than by a testamentary disposition, whether for a valuable consideration or not, the proceeds of such a policy are not taxable as part of his gross estate under the provisions of the federal estate tax law."

Love and Affection

As to whether an assignment in consideration of love and affection of an insurance policy taken out by the grantor, divests the grantor of all the legal incidents of ownership in the policy, the bureau takes the position that subject to the right of creditors to avoid a transfer made in derogation of their claims, any act which indicates an intention to transfer the legal incidents of ownership in a policy, whether voluntary or for a consideration, would effectually pass such interest.

A number of life underwriters have declared that the portion of the bureau's ruling which states that the insured must "absolutely and irrevocably dispose of all the legal incidents of ownership" is ambiguous.

May Decrease Tax

ATLANTA, GA., Dec. 31.—Insurance leaders in Georgia who have expressed fears of increased tax burden by the extra session of the legislature which convenes early in January have been reassured of no extra burden by Comptroller General Harrison who directs insurance tax matters for the state. Mr. Harrison on Monday made known that instead of any increase on insurance companies there possibly might be decreases in some instances under the proposed plan of readjustment of all taxes at the extra session in the event his recommendations and suggestions are followed by the lawmakers.

Home Life Designated

Elmo Walker, reviewer for the Home Fire and Home Accident of Arkansas, has decided that those two companies have no claim to the 538,000 shares of Inter-Southern Life stock which have been held in escrow under the contract by which Caldwell & Co. acquired certain holding in the A. B. Banks interests. An order that proceeds of the sale of these shares should go to the Home Life to be used in building up that company's reserves has been entered by Circuit Judge Richard Mann with the consent of Mr. Walker.

Equitable Life to Appeal Case

Test Case Involves Payment of
Double Indemnity for
Aviation Death

AFFECTS MANY POLICIES

Loose Wording of Past Involved in
New York Suit Rendered
Against Company

NEW YORK, Dec. 31.—Because the prevailing idea of what constituted an "aeronautical expedition" was quite different five or ten years ago from today, it is probable that the Equitable Life of New York will appeal from a decision last week by the appellate division, New York supreme court, to the effect that payment of double indemnity is not voided by the fact that the policyholder was taking a trip in a passenger airplane at the time of the fatal accident.

The policy, for \$2,500, provided for double indemnity but specified that the additional \$2,500 was not payable in case of death resulting from an accident "as a passenger or otherwise in a submarine or aeronautical expedition."

Gives Liberal Interpretation

The court ruled that one reading the policy would not conclude that a usual trip in an airplane in the regular course of transportation would be considered as being beyond the terms of the policy.

The company's position is that at the time the policy was written, nearly five years ago, the words "aeronautical expedition" were considered to include any kind of aviation, and were so accepted by the policyholder. Today, with the greatly increased airplane passenger traffic on the one hand and the use of planes by Byrd and others for expeditions in the narrower sense, it would be natural to think of an "aeronautical expedition" as something quite apart from aviation in general.

Conception Was Changed

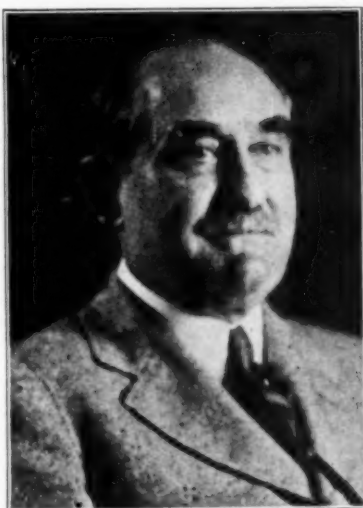
This changing concept of aeronautical expeditions is reflected in the Equitable's newer policy forms. The wording in the policy under litigation was adopted in 1921 and was used for about five years. The policy was written in 1926. The new wording, adopted some time before the accident in this case, provides that double indemnity shall not be paid if the accident occurs while the assured is "riding as a passenger or otherwise in an airplane or in any other type of aircraft."

The company contends that the provision was intended to exclude all forms of air travel, that it was so understood by the policyholder, and that this view should govern without regard to subsequent changes in the connotation of the phrase "aeronautical expedition."

While the case does not involve a large sum, it is the first of its kind to be brought into court. Litigation is the only means the company has of finding out definitely, from a legal point of view, where it stands and what course to take with similar cases in future.

It is expected that double indemnity claims of this type will not be numerous even if the court of appeals should rule adversely. A great many policies were issued with the disputed wording but these policyholders in general will do their air traveling over the increasingly safer scheduled air lines so that there should be no great increase in fatalities. Also, it is not at all certain that adverse decisions in other state

Writes Review



HENRY F. TYRRELL, Milwaukee, Wis.

Henry Franklin Tyrrell, legislative counsel of the Northwestern Mutual Life, prince of the blood royal, good fellow extraordinary, who knows insurance people far and wide, who can call a lot of folks by their first names and they feel flattered by this attention, has become a landmark because at the close of each year he writes a review of life insurance of the year's closing. Mr. Tyrrell is a philosopher as well as a historian and an observer. He has a prophetic instinct. His observations are always read with interest.

Interest in Commissioner Candidates in Wisconsin

MILWAUKEE, Dec. 31.—Conjecture continues rife on the appointment of an insurance commissioner in Wisconsin. Insurance men are more or less of the opinion that the appointment will be dictated by H. L. Ekern, former commissioner and now counsel for mutual companies.

Among the candidates who have been mentioned is W. F. Buech of the Buech Insurance Agency, Milwaukee. Mr. Buech is a Socialist and it is believed that Socialist aid to Philip LaFollette in his successful campaign for election as governor of Wisconsin might possibly be recognized by this appointment. Conservatives are not alarmed at this rumor, and hold that there is little truth in it, since Mr. Ekern is not in the picture.

Considerable interest has attached to the mention of Ralph Immel of Madison, adjutant general of the Wisconsin National Guard, and said to be a protégé of Mr. Ekern, as a likely prospect. Mr. Immel is a member of the Progressive wing, and while he lacks an insurance background he has been successful as an attorney.

courts would follow an unfavorable ruling by the New York court.

The outcome of this case apparently will have little effect on other companies, which for the most part did not use the word "expedition," but such designations as aeronautics, aeronautical operations, airplane ascents, and the like. The Travelers formerly used the word "expedition" in its double indemnity clause but the present provision excludes aeronautical travel except as a passenger on a regular line.

The case which was the subject of the New York court's decision was that of a policy issued on the life of Harold Gibbs, who died as the result of injuries received when a Coastal Airways plane crashed between Albany and New York, June 12, 1929. He died two days later.

Income Tax Rule Needs Clearing, Ingersoll Says

An interesting and important point in connection with the treasury department's ruling of Oct. 28 on the exemption of life insurance proceeds from income tax has been brought out by A. S. Ingersoll, a foremost authority on the legal aspects of insurance, in correspondence with Julian S. Myrick and S. L. Morton, members of the committee of the National Association of Life Underwriters which secured the Oct. 28 ruling from the treasury department. Mr. Ingersoll is assistant to A. A. Drew, general agent, Mutual Benefit Life in Chicago.

The treasury department has made the following statement as to the liability of transferred policies to income tax: "In the case of a transfer for a valuable consideration, by assignment or otherwise, of a life insurance, endowment or annuity contract, or any interest therein, only the actual value of such consideration and the amount of the premium shall be exempt from taxation . . ."

By careful process of reasoning, Mr. Ingersoll comes to the conclusion that the ruling just quoted should apply exclusively to cases where there is no insurable interest. Mr. Ingersoll believes that if the matter were "intelligently presented to the treasury department they would either issue a ruling restricting the application of this law to cases with no insurable interest or they would ask congress for an intelligent revision of this law at the earliest possible opportunity."

Communication to Myrick

The first communication of Mr. Ingersoll on the subject was addressed to Mr. Myrick.

"While this ruling," Mr. Ingersoll declared, "appears to clear up the federal estate tax situation and also the income tax situation where the absolute transfer of the policies to the beneficiaries is a gift and not a sale, nevertheless, the ruling does not appear to help us in the frequently recurring cases where corporation policies have to be transferred from one corporation to another under liquidations, mergers, etc., of corporations to whom the insurance is payable, or where such policies are released by the corporation to the insured upon his retirement from the business."

"I have been led to understand by excellent legal authority," Mr. Ingersoll continues, "that there is good ground for the claim that in a close corporation that the directors have no authority to release or transfer a corporation policy without the consent of all the stockholders except upon payment of the existing cash value into the treasury of the corporation by the purchaser. This makes the valuable consideration a fundamental incident to the transfer, thus bringing the transaction directly within the literal language of the act quoted in the latter part of the commissioner's letter."

New Construction Needed

"It seems to me that what we need in order to cover the majority of these cases and except them from the apparent scope of the act, is a construction of this provision of the law restricting its application to cases where there is no insurable interest on the part of the transferee or where the insurable interest does not exceed the certain amount for which the transfer may be made as security or collateral."

Mr. Myrick referred Mr. Ingersoll's communication to Mr. Morton, who took issue with some of Mr. Ingersoll's conclusions. Accordingly Mr. Ingersoll sent another communication to Mr. Morton.

"Without going into any argument about the merits of your construction," Mr. Ingersoll stated, "except from the

scope of the clause in question, corporation policies released to the insured for a valuable consideration, I wish to say that yours is the first suggestion of the kind among a large number of opinions from law departments of interested insurance companies and attorneys for policyholders who have held quite uniformly to the opinion that whether the case be one of the release of a corporation policy to the insured for use for personal purposes or a transfer from one corporation to another, the cloud cast upon the subsequent income tax exemptions under the policy renders it advisable to rewrite the insurance.

Replacement Is Solicited

"This matter has grown over a period of years from the occasional case to a situation where the underwriters who have learned of this ruling are actively seeking out situations of this kind and soliciting replacement insurance."

"It is my recollection that under the Supplee-Biddle Hardware case in which a strong plea was made on the ground of unconstitutionality, the United States court held that it was unnecessary to pass on the constitutional question, as whatever the constitutional merits of an attempt by congress to make the proceeds of the matured life insurance policy income for the book-keeping profits in the individual transaction, congress had never so far in any income tax law attempted to do so, and that therefore the proceeds of the corporation policy payable as a death claim was not subject to income tax because the law did not classify it as income."

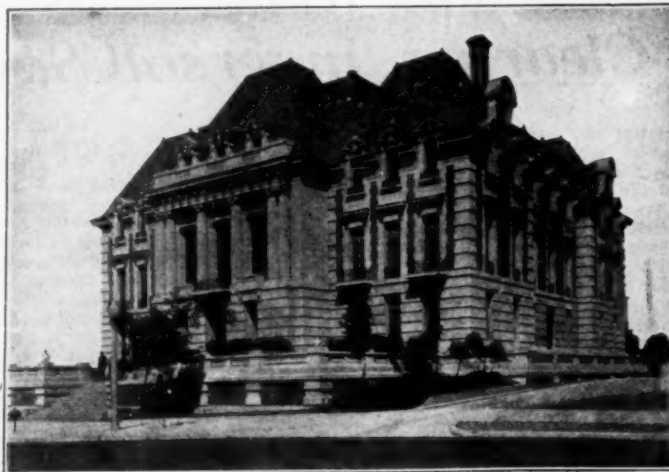
"It is my understanding that there have been some lower court decisions favorable to the view of unconstitutionality, which, however, become academic on account of the above Supreme Court decision, or at least have not yet reached the Supreme Court on an appeal. It seems to me that the underlying principle involved in the assumed broader scope of the clause in question is identical. This clause first appeared as a treasury department construction of the general provision of the income tax law applicable to the proceeds of life insurance, either the same or substantially the same as the provisions of the law construed in the Supplee-Biddle Hardware case. It was later incorporated into the body of the subsequent law which is now in effect. Is it logical to give it a scope inconsistent with the broad general plan of previous income tax laws, as well as the present income tax law as construed by the Supplee-Biddle Hardware case?"

Principles of Law

"In the days when I attended the New York law school I was taught that where the broad literal construction of the general language in a statute brought it into conflict with fundamental principles of the statute or of the general law, and the narrower did not, the narrower construction would be adopted in order to give force to the provision. Is it fair to assume that congress in embodying into the law a previous ruling, intended to give it a broader scope than may be ascribed to the ruling?"

"Acquiring a policy by paying the attained cash value and subsequent premiums does not differ intrinsically or actuarially from buying a single premium policy with a cash value and an ordinary life policy for the balance of the coverage. Must we admit then that the essence of the discrimination lies in the fact that in one case the first payment is made to the previous owner of the policy and in the other to the insurance company? Does not careful analysis reveal as ridiculous the basic distinction

(CONTINUED ON NEXT PAGE)



New Home Office Building

A Complete Life Insurance Service for a Modern Age



We Offer

- Policies all ages, 1 day to 70 years.
- Both Participating and Non-Participating.
- Non-Medical—Sub-standard.
- Disability, Dismemberment and Surgical Benefits.
- Special Monthly Premium Payment Plan.
- Double Indemnity.
- Children's Policies with Beneficiary Insurance.
- NEW FAMILY INCOME PROTECTION POLICY.
- Sales Planning and Circularizing Department.
- Producers' Club.

Available territory in seventeen states West of the Mississippi River and in Illinois and Florida.

WRITE DIRECT TO HOME OFFICE

Central States Life Insurance Company

James A. McVoy, President

HOME OFFICE: SAINT LOUIS

Industrial Forms Are Hit in District of Columbia Hearing

LITTLE, DUNHAM IN DEFENSE

Witness Criticises Facility of Payment Clause, Contestable Provision, Status of Application

Failure to attach the application to an industrial life policy as part of the contract, provision making the contract invalid during the contestable period if the insured was not in sound health at the time it was taken out, and the so-called "facility of payment" clause, were criticized by Percy E. Budlong of Washington, D. C., during a hearing held by the insurance and bank subcommittee of the senate District of Columbia committee on senate bill 1903 designed to protect industrial policyholders in the district. These features were defended by James F. Little, second vice-president of the Prudential, and F. G. Dunham, associate general counsel Metropolitan Life.

Mr. Budlong argued that industrial policyholders are at a disadvantage because the application for the policy is not made a part of the contract as is done in the case of ordinary life insurance.

Facility of Payment Clause

Because of the wording of the industrial policy governing the contestable period, Mr. Budlong said there is a possibility that the policy will become ineffective due to lack of knowledge of the insured as to some diseases he may have had. He also objected to the "facility of payment" clause which permits the insurance company to pay a claim immediately to the person deemed entitled to the proceeds. He advocated the naming of the beneficiary in industrial policies.

Mr. Little argued that if the defense of sound health were taken away, fraudulent and dishonest policyholders would gain at the expense of the honest ones. To attach applications to policies would cost his company \$500,000 annually, he said. Likewise, he added, requirement that the insurance companies investigate the health of the insured would cost his company \$10,000,000. He said that the ratio of disputed industrial claims to those paid by his company is 1.1 per 1,000 while in ordinary insurance the ratio is 5.6 per 1,000.

Mr. Dunham defended the "facility of payment" clause. Very rarely, he said, is there any dispute as to who should receive the money. Under this clause, it is possible for the insured's family to get the proceeds promptly at the time when most needed, he stated, without any formality or red tape.

Income Tax Rule Needs Clearing, Ingersoll Says

(CONT'D FROM PRECEDING PAGE)

between the income tax exempt and taxable alternative provisions under the broader scope?

"It is easy for my mind to accept as both fair and reasonable the classification as income subject to income tax of any proceeds of a policy payable as a death claim to a person who purchased the same purely as a gamble, without any insurable interest entitling him to indemnity or who by reason of the form of transfer of a policy intended as surety for some obligation, received undisputed possession of the proceeds of a matured policy far in excess of his claim. We do have occasional cases of that character, and the provision of the law in question could very reasonably be justified in its application to such exceptional cases. Beyond that it has no sound purpose or justification.

"I feel confident that if the matter were intelligently presented to the treasury department they would either issue

Becomes Official



PAUL S. RANCK

Incorporation of the C. B. Knight agency of the Union Central in New York results in the elevation of P. S. Ranck, assistant manager, to secretary-treasurer.

Much Interest Is Taken in Special Committee's Work

LIVINGSTON IS AT THE HEAD

Insurance Commissioners Convention Will Investigate the Interlocking Devices in Life Insurance

There is much interest in the committee appointed by the National Convention of Insurance Commissioners headed by Commissioner Livingston of Michigan to make an investigation of those intimate connections of life insurance with other institutions that have a bearing on the operation of the companies themselves. This would include the holding company, stock of one company held by other life companies and, in fact, any device or instrument whereby a jolt received by one institution would materially affect another. The National Convention of Insurance Commissioners decided to have this subject looked into by a special committee. Commissioner Livingston's associates are Commissioners Tarver of Texas; Boney of North Carolina; Lowry of Mississippi and Olsness of North Dakota, all officials of high rank, who have the confidence of the public.

No Plan for Meeting Made

No plan has yet been made for a meeting of this committee. Some of the members feel that the committee should start its investigation soon after the first of the year as so many legislative sessions meet in 1931. If there is any necessary legislation to be recommended, undoubtedly the committee would want to present something. It is stated that the members of the committee may work individually for a while, making their own investigation as to the effect of these inter-relationships. It is likely that a hearing will be given so that all hands will have a voice and know that no snap judgment will be taken.

a ruling restricting the application of this law to cases with no insurable interest or they would ask congress for an intelligent revision of this law at the earliest possible opportunity."

Our Home Life of Florida and the Michigan Life of Detroit have been licensed in Ohio.

Takes Liability a Step Farther

John Hancock Mutual Held Liable in Connecticut for Agent's Automobile Accident

RESPONSIBILITY DEFINED

Right of General Control, Not Control of Means, Held to Be Vital Test

Another step toward fastening liability on insurance companies for the torts of their agents has been taken, this time by the Connecticut supreme court in a case involving the John Hancock Mutual Life. The case is *Hall vs. Sera*, decided in November. In that case Sera was an agent of the John Hancock Mutual, apparently an industrial agent, and driving his own car.

Three occupants of a car involved in a collision with Sera's car brought suit and got judgment for their injuries against Sera and the John Hancock Mutual jointly. The company appealed on the ground that Sera was not its agent in the operation of the car and that it had no control over him in its operation.

Under Company's "Control"

The supreme court affirmed the judgment against the company, saying: "The important question is not whether the company had physical control of the movements of the car at the time of the collision, but rather whether it had the right of general control over the driver himself, a question of status. When the collision occurred Sera was acting under the orders of his employer to turn in his collections as agent and to report at Hartford before 5 o'clock. In performing this duty he was acting under the company's control and it is immaterial whether he was driving a car, driving a horse, or walking."

This carries the interpretation of liability a little farther than the celebrated *Dillon* case in California, which made the insurance world "sit up and take notice." In the *Dillon* case the agent was driving his own car on the way to a meeting, at which he was bound by the regulations of the company to be present. In the *Sera* case the agent was merely going about his business during business hours, with a final duty of reporting by 5 o'clock.

Pursuant of Agent's Duties

Insurance companies have endeavored to avoid liability in such cases on the legal theory that an insurance agent is an independent contractor, using his own means of conducting his own business. In the two notable cases, the *Dillon* case and the *Sera* case, there has been a factor of control that is not found except in industrial insurance. Yet in a score of decisions against other concerns the test applied has been whether the agent was engaged in the pursuance of the duties for which he was employed. On that test an agent on his way to solicit a prospect is engaged in the duties of his agency. The next step in this line of decision will undoubtedly be in a case where an agent is going to make a call on a customer, either for solicitation, collection or service, or returning from such call.

Earliest Case in 1880

The earliest decision along the line of non-ownership liability was in *Singer Mfg. Co. vs. Rahn*, 133 U. S. 518, 33 L. Ed. 440. In that case a sewing machine agent, working very much like the average insurance agent, caused an

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Goes to Chicago



ELMER S. ALBRITTON
Appointed General Agent Provident

E. S. Albritton, vice-president and manager of agencies of the Southern States Life of Chicago, has resigned and is appointed general agent of the Provident Mutual Life in Chicago, succeeding Leonard Ellsworth, who becomes general agent in Rockford, Ill.

Mr. Albritton's Career

Mr. Albritton became vice-president and manager of agencies of the Southern States Life in September, 1927. He is now in the prime of life. He was born April 10, 1884. He graduated from Northwestern University and soon thereafter went to Dallas, becoming associated with the Orville Thorp agency of the Kansas City Life. He carried a rate book, made a study of the business and saw its possibilities. He was soon made assistant manager in the Thorp agency having jurisdiction over all of Texas. Mr. Albritton attracted attention of other companies.

Went to the Minnesota Mutual

In June, 1911, he became superintendent of agencies of the Minnesota Mutual Life with headquarters at St. Paul. Later he was elected vice-president and served in that capacity for 11 years. He had great success in this enlarged work. Sam Weems of Dallas had charge of the Texas agency for the Minnesota Mutual. Mr. Albritton joined hands with him becoming a partner in the Weems-Albritton Texas agency. Mr. Albritton had done some excellent organizing work, establishing new general agencies for the Minnesota Mutual. When he went with the company it had \$20,000,000 of insurance in force and when he ended it had \$60,000,000.

Went With the Jefferson Standard

Mr. Albritton in 1924 connected with the Jefferson Standard Life as Texas manager. Mr. Albritton therefore has had an all-around life insurance experience. He has been a leader in agency organizations and is a prominent figure at conventions.

From a personal standpoint it is interesting to know that when Mr. Albritton was attending Northwestern University, Mrs. Albritton was an under graduate and the two met in Evanston, Ill., the seat of the college. Later they were married. Now the Albrittons are returning to Evanston to make their residence and undoubtedly will become identified in a prominent way with the activities in that suburb.

Linton to Give Luncheon

Vice-president M. A. Linton from the home office will be in Chicago Jan. 7 and will give a luncheon in honor of Mr. Albritton when he will be formally introduced to the agency staff.

Mr. Albritton in his senior year at

(CONTINUED ON NEXT PAGE)

Dr. W. B. Smith Sees Need of Air Trained Men in Life Companies

The second part of the address which Dr. W. B. Smith, assistant medical director Connecticut Mutual Life, delivered before the recent meeting of the Association of Life Insurance Medical Directors is presented herewith. Dr. Smith's paper was in response to an address by L. G. Sykes, medical director Connecticut General, who discussed the relation between life insurance and aviation.

It is not the transport companies that we worry about, but it is another great division of the flying industry that gives us real concern. It is the insuring of those people who are actually engaged in aeronautics in other capacities than fare-paying passengers on regularly operated lines. This includes a large class of people, every one of whom more or less carries with him some increase in hazard.

Examination Results

I have recently made a study of 931 people that I have seen for the first time in my work for both the department of commerce and the state of Connecticut. There are some very interesting findings which certainly emphasize some of the peculiarities of the human element in flying. I regret, however, that my studies are only begun. In addition to these findings I am trying to find out how many of these 931 people actually learn to fly and why those who do not learn to fly find it necessary to discontinue their activities.

It is interesting to note the large number of males over females, and it is interesting also to note the percentage of those rejected. One of the interesting things is the age decade in which the largest number of applicants were found to appear. This decade was between 20 and 30, there being 544 appearing during this period. It is also interesting to note the rejection of approximately 11 percent of those applying because of physical or mental difficulties.

Influence of Occupation

Applicants were classified as follows: Total number seen, 931; number of males, 895; number of females, 36; accepted, 756; rejected, 105; questionable, 70; age factor 0 to 20, 159; 21 to 30,

544; 31 to 40, 191; 41 to 50, 33; 51 to 56, 4.

Occupation seems to have an influence in the matter of applicants for flying licenses. By far the largest number of applicants come from the field of skilled laborers or aviation itself. Under the heading of aviation are grouped all those applicants who were connected with the industry at the time of applying. This included pilots, executives, mechanics, etc. Under the heading of skilled laborers were placed all applicants where some amount of skill was required in the performance of their daily duties. This classification certainly should be divided much more in detail and will be for further study.

Under the heading of students come those in pursuance of education. Clerks include both clerical and merchandise types. It was thought wise to set apart airplane mechanics from the heading of aviation so that they might be compared with auto mechanics. Under the heading of farmers come those individuals who were found to be in any horticultural or agricultural pursuit. Specialized individuals include college bred men in engineering, chemists, etc., while professionals cover doctors, dentists, lawyers and ministers. The rest of the headings are self explanatory:

Schools of Training

Aviation, 131; skilled laborers, 128; students, 90; clerks, 86; salesmen, 65; airplane mechanics, 53; auto mechanics, 52; merchants, 41; farmers, 38; not occupied, 37; chauffeurs, 34; manufacturers, 32; executives, 31; occupations unknown, 27; specialized individuals, 19; professionals, 15; unskilled laborers, 15; builders and contractors, 12; officers of the law, 8; teachers, 7; press, 4; professional entertainers, 3; members of marine industry excluding military services, 2; and military officers, 1.

At this point, it seems to be the place to discuss the question of training flying people. There are but two sources of training, namely the military services and the commercial schools. The training obtained through the army air corps or the navy is of very high caliber. The pilots graduated from these schools are not only excellent flying men, but they

Head Great New York Agency



C. B. KNIGHT



W. E. BARTON

C. B. Knight has incorporated his great New York City agency, assuming the presidency. W. E. Barton, assistant manager in charge of agency development, becomes vice-president in the same capacity, and P. S. Ranck, assistant manager in charge of office details and the cashier's department, is secretary-treasurer. It is one of the leading agencies of the Union Central Life.

are physically and mentally the cream of America. It is very difficult to obtain appointment to the army school. In fact, last year there were about 1,400 applicants, of which only 200 could be taken.

I am personally acquainted with the exacting physical and mental requirements for entrance to this school. When we consider the commercial training, we have a much different proposition. By and large, commercial training, as pointed out in Dr. Sykes' paper, is not what we would like to have it. This is to be seriously considered in the underwriting of people engaged in aeronautics, but we have little to fear so far as picking our pilots to fly transport lines from this class of training, for we do not usually obtain them therefrom.

Care in Underwriting Needed

I feel that our companies might reasonably feel very optimistic about insuring farepaying passengers over regular transport lines. The companies should underwrite with great care other people who are engaged in the aeronautic industry.

In the second place, there should be no doubt in any one's mind that the human element is important in underwriting the aeronautic hazard, but then, after all, isn't the human element important in almost any kind of underwriting?

Finally, I would make reference to a very important research work that was concluded last year by the Guggenheim foundation. This work was carried on under the direction of Captain Dunn of the United States army air corps. The most important point brought out in that voluminous piece of work was the fact that of all our companies writing life insurance in this United States only eight had attempted to underwrite the aeronautic hazard by bringing into their home office organization an individual or individuals thoroughly versed in the aeronautic industry. This is exceedingly important and when more companies will do this thing the sooner will the underwriting of aeronautics become as commonplace as the underwriting of individuals engaged in or using any other means of transportation.

Takes Liability a Step Farther

(CONT'D FROM PRECEDING PAGE)

injury with his team, used in delivering sewing machines or in making calls. The United States Supreme Court in 1889 held the sewing machine company liable under the doctrine of "respondeat superior."

Insurance companies in general are not yet carrying non-ownership automobile liability insurance on their agency forces. In fact, there is not even a practicable method of rating, as yet, for agents working on commission. The growing habit of suing employers along with employees, in order to have a moneyed defendant to pay any verdict that may be recovered, will cause this line of protection to grow in importance.

Albritton Goes to Chicago With the Provident Mutual

(CONT'D FROM PRECEDING PAGE)

Northwestern University was both president of his class and of his fraternity, Phi Delta Theta. While in Atlanta he was a member of the vestry of the All Saints Episcopal church, and was president of the Men's Class of that body. His oldest son, Robert, will matriculate in Northwestern University this year. His father, J. L. Albritton, a retired Methodist minister of considerable note, has lived in Chicago for many years.

Pending a selection of a successor to Mr. Albritton the agency affairs of the Southern States Life will be directed by President W. L. Moore. No definite announcement is ready as to a successor.

New Pyramid Life Directors



ROBERT C. STARK



BEN R. HAMILTON

Ben R. Hamilton and Robert C. Stark have been elected directors of the Pyramid Life of Little Rock. Mr. Stark, who has served as assistant secretary for more than a year, has also been advanced to secretary.

Mr. Hamilton is general agent for the Pyramid Life in the Little Rock territory, having organized the Ben R. Hamilton agency in May, 1930. Before that he was vice-president and sales manager of the Jordan-Hamilton-Hendrick

Company. He has been prominent in civic and commercial activities in Little Rock for many years, being a director of the Little Rock chamber of commerce. Both he and Mr. Stark are past presidents of the Little Rock Advertising Club.

Mr. Stark has been connected with the Pyramid Life since immediately after its organization. He has served in every department, including advertising, sales and home office.

Marriage, Birth Organizations Infest Oklahoma, Read Reports

Each week correspondents of THE NATIONAL UNDERWRITER have been sending dispatches about the operations of marriage and birth endowment organizations. Most of these dispatches have come from states of the southwest and THE NATIONAL UNDERWRITER has queried some of the public officials in those states as to their experience with these organizations and their attitude towards them.

Commissioner Jess G. Read reports that Oklahoma is infested with marriage and birth endowment organizations. He has been active in attempting to root them from the state, but reports that he is not adequately fortified by law. Because of the deficiency of the law, Mr. Read reports that citizens who have had unfortunate experiences with these marriage and birth associations are blaming him for their troubles.

Accompanying Read's response to THE NATIONAL UNDERWRITER's inquiry were two stories which appeared in Oklahoma newspapers. One story reported that the vice-president and attorney for three Oklahoma City marriage and birth endowment associations are leaving for Washington where they will attempt to show cause why the government should not deny them the use of the mails for alleged lotteries and schemes for the distribution of money by chance. Another story reported a former marriage insurance salesman being held after alleged failure to return \$400 to a prospective customer in an unsuccessful deal for marriage insurance policies.

Commissioner Read's Letter

"These concerns," Mr. Read states, "seem to have originated in Texas and migrated northward, striking Oklahoma in the spring of this year. Sensing the danger of these associations, I held that the contracts contained an insurance feature and when they attempted to qualify with my department, I then dis-

approved their certificate form, giving as my reason 'that the contract was one against public policy and offering an improper incentive towards marriage.'

"Later these concerns hired a strong firm of attorneys here in Oklahoma City, and when they called my hand and asked where the law was, I told them there was none; that I had just taken matters in my own hands to stop what I believed would prove injurious to my citizenship. When the attorneys announced they were going to test my ruling, I then asked the attorney general for an opinion, feeling that I might find some law which would keep them out. He held the contract did not contain an insurance feature. So they have been operating in this state since last May without coming under the supervision of any department.

Birth Rackets Less Serious

"The above comment applies to the marriage organizations. The birth organizations did not spring up until recently and have gained but little headway in this state.

"The marriage associations opened branch offices in every town of 10,000 or more in Oklahoma and their certificates sold like apple cider at a public sale. It was surprising the way the people purchased these contracts and the class of people who fell for them.

"About three months ago the Better Business Bureau of Oklahoma City took matters up with this department and then with the federal attorney and several arrests have been made, the federal attorney holding that it was a violation of the anti-lottery law or something of that sort. The publicity given by reason of the arrest and the fact that the government went back to New York to get one of the violators, has killed them for the time being but a great deal of damage has been done.

"In my mail each day I am getting from one to ten inquiries about these concerns."

Advertising Conference Has Made Appeal to Officials

SIMILARITY OF NAME IS UP

Insurance Commissioners Asked to Use Their Influence in Practice Causing Confusion

President Miller of the Insurance Advertising Conference will communicate with the officers of the National Convention of Insurance Commissioners, calling attention to the fact that the conference, through its executive committee, has taken an emphatic stand against newly organized companies adopting names the same or very similar to those of old established companies. President Miller will ask the officials of the commissioners' organization to bring this matter to the attention of their members.

Illustration Is Given

It was learned during the discussion at the executive committee meeting that in one instance a new organization located in a middle western state had appropriated the name of a company which had been doing business for years in several other states. Later, when the originator of the name sought to do business in the state domiciling the newer company, its officials were informed they could not carry on under their own title.

"Obviously," President Miller declared, "this is a decided injustice. What the solution may be to bring about a remedy we are not prepared to say, but we feel that if the insurance commissioners indicate their displeasure at such methods they will not be attempted in the future. At any rate it is a matter of principle worth fighting for."

Hull Expands His Itinerary

National Association Director Includes Two Washington Cities in Sweep Around Country

The Denver life underwriters' sales congress will take place Feb. 13 to coincide with the schedule of R. B. Hull, managing director National Association of Life Underwriters. Mrs. W. S. Pritchard, also of the National association, will be on the program.

Mr. Hull's address in Kansas City will be Jan. 7 at a joint meeting of the underwriters' association and the chamber of commerce. His topic will be "The New Industrial Citizenship." Belingham and Everett, Wash., have been added to his itinerary. On his trip to these cities, as well as to Yakima, Wash., and Portland, Ore., he will be accompanied by C. C. Thompson, first vice-president National association and manager Metropolitan at Seattle.

OHIO NATIONAL TO TAKE OVER AMERICAN OLD LINE

Announcement was made this week that the American Old Line Life of Chicago is to be reinsured by the Ohio National Life.

The American Old Line, which represents a merger of the company of the same name, formerly of Omaha, and the Calumet Life of Chicago, will be liquidated. It has about \$18,000,000 insurance in force and \$2,500,000 assets. It wrote about \$2,500,000 of new business in 1930. The merger will give the Ohio National about \$100,000,000 in force and more than \$15,000,000 assets.

H. W. Kingery, president of the American Old Line, will become vice-president and a director of the Ohio National.

The annual meeting of the southwestern department agency of the Illinois Life will be held Jan. 9 at Kansas City.

TYRRELL COMMENTS ON INSURANCE YEAR

(CONTINUED FROM PAGE 3)

life insurance as, in other ways, protective and stabilizing.

When men saw a business estate going to pieces at the whim of a ticker, they also saw in life insurance an estate of unvarying quality, worth one hundred cents on the dollar and always ready, dependable, and serviceable.

Life insurance is likewise an investment, meeting all the essential requirements and desiderata.

Speculation is peculiar. When men lose in the open market, they think all they have lost is principal, forgetting the incidentally important considerations of income and interest. Wise investors, however, turn to life insurance, where their funds are managed carefully, conservatively, successfully, and profitably, with no depreciation in value in any circumstance; and it is perfectly logical to maintain that in the future, life insurance will come more and more to be looked upon both as property and investment.

Low Rate Plans Were Introduced in 1930

To meet existing requirements, and the peculiar exigencies of the public, companies were required in 1930 to introduce low premium-rate plans, such as long-term, term-expectancy, life-expectancy, graded-premium, initial-term for a few years and then automatically convertible to whole-life, and other policies of that type. The purpose was to make sales easier and to make it easier for the buying public to obtain life insurance protection, even though of a temporary character and with smaller accumulation of policy reserves.

Time may show that a considerable percentage of the 1930 new business was written on these low-priced plans.

In this connection, mention properly may be made of the introduction in 1930 of the so-called family-income policy, the purposes and details of which are understood by all engaged in the business; and the observation may perhaps be permitted that while the basic principle of such protection is not new (but its idea was, nevertheless, ingenious and serviceable), the specific policy was given deserved prominence and quite a few companies adopted the plan.

Lessons of the Year to Producers, Managers

There are lessons to be learned from the experience of 1930. To the soliciting agent, it must have been demonstrated that life insurance can not be sold by slip-shod, unintelligent, unsystematic methods; that the underwriter must be confident of, and enthusiastic about his business; that he must carefully select his prospects; that he must take to them logical and constructive solutions of their problems, and that he must work purposefully and efficiently. To the general agent, the year must have shown that he ought to be a business man and executive, required to organize and direct the activities and efforts of his associates, both in the field and in the office, and if he is to get results, that he must have an accurate conception of his costs and just what is profitable and what is unprofitable in his plant.

Indicative of the expanding appreciation of sales talent and equipment, the year witnessed improvement and systematization in sales education, mainly through the influence of the American College of Life Underwriters. Also, a surprising and gratifying number of branches teaching life insurance were opened in connection with educational institutions, Y. M. C. A.'s, and other organizations, under the auspices of local men who gave instruction necessary to take the examinations in the C.L.U. The systematic work done by the Life Insurance Sales Research Bureau in its school for managers must also be noted.

There were also certain incidental fea-

tures, including an increase in death claims under large policies—a number resulting from suicide. The collapse of the stock market, with attendant financial difficulties for formerly wealthy men, may be responsible for the situation, which will probably result in the future, in a more careful selection of risks in connection with large amounts on individual lives.

During the latter part of the year, both the financial and life insurance worlds were startled by a condition which grew out of holding, hypothecating, and selling the stock of life insurance companies by allied interests, neither interest, seemingly, regarding a life insurance company as in anywise different from any other corporation whose stock might be the subject of a barter and trade. This chain application to life insurance did not turn out satisfactorily.

A reviewer may again refer to the stock market debacle and to the existing state of mind called a depression, for the purpose of asking if the average person realizes how much influence the funds of life insurance companies had

in alleviation of depressing conditions in 1930.

Exact figures are not now available, but it is well to inform the public that the unemployment situation was greatly alleviated by the nation-wide and comprehensive distribution of life insurance funds for the construction of railroads; the building of places of business; the extension of public utilities; the purchase of government, state, and local bonds for manifold improvements; to say nothing of the large amounts expended in death claims, dividends, surrenders, lapses, policy loans, taxes, salaries, and supplies.

Individual's Impotent

Dollar Is Put to Work

This taking of the otherwise impotent dollar of the individual and merging it with the potent dollar of the mass is an incident to which the institution can point with justified pride.

There are a number of personal features of 1930 which may be noted. Death took Robert Lynn Cox, vice-president of the Metropolitan; Henry M. Cutler, vice-president of the National of Vermont, after 40 years of service with that company; Frederick M. Hubbell, founder and chairman of the board of the Equitable Life of Iowa; William J. Williams, founder and president of the Western & Southern Life; J. Stanley Scott, secretary of the life department of the

Travelers, and Perry S. Allen, president of the Presbyterian Ministers Life Fund, the oldest life insurance company in the United States.

Other notable incidents of a personal character were the retirement of Luther B. Little as manager of the publicity division of the Metropolitan Life; the election of Danforth E. Ball to the presidency of the Columbus Mutual; the election of Leroy A. Lincoln as vice-president of the Metropolitan, and the promotion of Francis O. Ayres to the office of first vice-president of that company; the tribute of the Equitable Life to its secretary, William A. Alexander, after a service of 50 years in that position and a total of over 60 years with the company; the celebration by the New York Life of Thomas A. Buckner's 50th anniversary of service; the maturing of a 20-payment life contract to Jacob D. Eberbach of Cynwyr, Pa., at age 96, a maturity exceedingly rare; the appointment of Frank H. Davis as western production manager of the Penn Mutual; the trip of Clarence Axman across the Atlantic as a passenger on the Graf Zeppelin and the election of George E. Lackey of Oklahoma as president of the National Association of Life Underwriters.

Questions remaining over from the year, which the future must solve, relate to investments by life insurance com-

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No medical examination is necessary for men, women and children for \$1,000 and as high as \$2,500 for men between 15 and 45. \$10,000 is the maximum amount issued any one person.

The fact that this great newspaper is featuring this unusual policy of the Old Republic Life vouches for the strength, reliability and management of this company.

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The impregnable Legal Reserve System
A strong financial foundation
The well seasoned Iowa insurance laws
Discriminately selected investments
A representative Board of Directors
An experienced Home Office management
Modern and liberal policy contracts
Officials who know the problems
An enthusiastic and hard working agency force

These constitute the very elements of permanency and progressive development. Tie to a company that is growing.

Desirable agency connections available in

Iowa Colorado
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Intelligent Progression

The Mutual Benefit was organized in 1845, and for upwards of eighty years has been administered by a succession of directors and officers whose conduct of its affairs has merited and received the confidence and approval of hundreds of thousands of policyholders.

Not only has its history been marked by the fidelity, ability, and integrity of the officials who from time to time have been responsible for the Mutual Benefit's financial management, but the Mutual Benefit has also been distinguished throughout its history for intelligent progression in the provisions of its contracts which, with unbroken adherence to sound actuarial principles, have made the Mutual Benefit a leader in life insurance underwriting.

As improvements in contracts have been developed, liberalizing their provisions, the new benefits have been uniformly extended to earlier outstanding contracts, in-so-far as possible, thus securing to the earliest policyholders the benefits enjoyed by the latest.

**The Mutual Benefit
Life Insurance Co.**

NEWARK, NEW JERSEY

panies, particularly as to the general principle of investing in common stocks and what may be termed hazardous securities. The continued study of aviation with relation to life insurance will also be on the agenda for 1931; and, no doubt, further steps will be taken to extend life insurance service by trust companies and banks.

What of the new year? There's the rub! Prior prognostications have fared so ruthlessly and have turned out so disappointingly, that one hesitates to advance new prophecies.

Unless every person in position to speak authoritatively is mentally unbalanced, this miserable depression cannot last much longer. The exigencies both of business and of politics (and do not discount the force of the latter) will require, and therefore insure, a return to normality, and when that time comes, there will have been ushered in

the golden opportunity for American life insurance.

Men who have learned, through impressive experiences, the advantages of life insurance, both as property and as investment, will be willing purchasers; men who have lapsed policies will be pleased to retrieve; those who have surrendered will be anxious to restore; men who have borrowed will be willing to increase; and altogether, the business, in all its ramifications, will have abundant success.

Finally, no man who correctly reads the lessons of 1930, and who remembers the recuperative ability of the United States, can be justified in taking a morose and desponding view of the future. The sun of success may be a bit clouded in the early part of 1931, but it is bound to break out gloriously before the year is over—and therein lies happy hope for us all.

AS SEEN FROM NEW YORK

SIMON MAKES BIG CLUB

Leon Gilbert Simon, nationally known life underwriter and insurance author, has made the Million Dollar Club of the Equitable Life of New York for the 12th year in a row. In past years this information would hardly come under the head of news. The surprising thing would have been for him to miss making the club. Last year, for instance, he passed the \$2,000,000 mark.

But this year it was not until Dec. 22 that Mr. Simon made the club quota. Speaking trips, conducting life insurance classes in West Virginia and at Syracuse, acting as chairman of the National Association of Life Underwriters' convention program committee, writing his book on business insurance, holding the office of president of the New York City Life Underwriters Association—these distractions from the business of insurance-writing found him ten weeks ago with only \$700,000 of his million accounted for. Since that time he has paid for \$530,000, in spite of establishing a new high in November for declinations. Of the business Mr. Simon submitted in November, \$440,000 was declined, meaning that in the last ten weeks he had to write practically \$1,000,000 in order to make his quota in the Equitable.

Mr. Simon has found business insurance holding up well, considering the lapse ratio in personal insurance. One reason for the favorable comparison is that many persons who have lapsed their personal insurance were economically unable to carry it any longer.

This situation has not arisen to such an extent with business insurance. A business in such bad shape that paying a premium would mean the difference between bankruptcy and continued existence would be so far gone as hardly to be worth insuring.

Mr. Simon reports great success, both in New York and other parts of the country which he has visited, in advising additional insurance to cover the amount of loans made on business policies.

KNIGHT AGENCY INCORPORATES

C. B. Knight, general agent in New York City of the Union Central, has announced incorporation of his agency. He is taking this step with the conviction that it will strengthen the organization and be of advantage to all his agents. His action was largely motivated by gratitude to his two assistant managers, W. E. Barton and P. S. Ranck. Mr. Knight took over the metropolitan territory of the Union Central in 1914, after many years as a successful agency manager. The agency previously paid for less than \$2,000,000 a year, but in the last seven years it has averaged better than \$40,000,000 paid-for. There has been a low turnover among agents.

The agency will function the same as in the past. Mr. Barton as vice-presi-

dent will handle agency and sales matters and Mr. Ranck as secretary-treasurer will supervise financial matters, conservation, collections and office details. Mr. Barton went with Mr. Knight in 1913 and is well known in New York, being vice-president of the Life Underwriters Association of the City of New York. Mr. Ranck entered Mr. Knight's service in 1908 in Philadelphia, after early experience in field work and brokerage business.

The record of the Knight organization over a 17-year period is a monument to Mr. Knight. Outside territory of this organization consists of northern New Jersey, northeastern Pennsylvania and a part of upstate New York, with branch offices at Scranton, Pa.; Utica, Glens Falls, Albany, Schenectady and Malone, N. Y.; Newark, 250 Park avenue, 349 East 149th street and 327 Bible House, New York City; 26 Court street, Brooklyn, Flushing, L. I., Stapleton, S. I., and New Rochelle.

There is approximately \$350,000,000 on the books.

GET FEDERAL REFUNDS

Among those awarded federal income tax returns in the fiscal year ended June 30, the following insurance companies and organizations in the New York list were made public Sunday: General, \$11,065; Equitable Life, \$21,958; European General Reinsurance, \$4,101; Guardian Life of New York, \$1,230; London Guarantee, \$22,874; Mutual Life of New York, \$795,704; National Board of Fire Underwriters Building Corporation, \$9,206; National Surety, \$7,330; Queen of America, \$12,024; Yangtze Insurance Association, \$2,104; Postal Life, \$14,432; Liberty Surety Bond, \$1,640; Reliance Casualty, \$2,133.

Changes Are Announced in Staff of the Prudential

W. W. Van Nalts, assistant secretary of the Prudential, has been elected secretary. B. L. Worthington, supervisor, is made assistant secretary and will be associated with Mr. Van Nalts in the supervision of the home office staff. H. H. Parberry, supervisor, will succeed Mr. Worthington in the southern group. L. H. Schmidt, manager of Division A, becomes supervisor of the eastern group. L. C. Travis is transferred from manager of Division C to manager of Division A. S. E. Roberts is made manager of Division C. He was assistant manager of Division C in 1926 and in 1927 was transferred to Division I.

New Men Make Good Record

The 209 agents of the Kansas City Life who signed contracts the past year and who attended the 1930 group schools conducted by Walter Cluff, educational director, paid for \$9,971,000 of business.

Inter-Southern Deal Is Closed

(CONTINUED FROM PAGE 3)

States Life; Lawrence Dorsey, treasurer of the Security and assistant treasurer of the Northern States; J. H. Edwards, former president of the Kansas Life, which was once owned by Mr. Dorsey, and later sold to the Pyramid Life of Kansas City, now in charge of real estate for the Northern States Life; J. W. Seids of Moline, Ill., director of the Security Life; and O. C. Neier, director of the Security Life.

Old Directors Resign

The directors of the Inter-Southern who resigned were Rogers Caldwell, John M. Branham, publisher; A. E. Mueller, Louisville; J. D. Carter of Caldwell & Co.; J. B. Ramsey, Knoxville; F. L. Woolridge, Versailles, Ky.; Dinwiddie Lampton of the American Life & Accident; Luke Lea of the Southern Publishers Company; and Hillsman Taylor, president Missouri State Life.

The new directors will serve out the unexpired terms of those resigned, until the annual meeting of stockholders on Jan. 21. The annual meeting of the board of directors is scheduled for Jan. 28.

The new owners of the Inter-Southern Life are in possession of about half the outstanding shares of the Inter-Southern. In addition to that block, there is a block of 538,000 shares of Inter-Southern stock held in escrow in Little Rock, Ark., to which the Home Life of Arkansas claims title. The Keystone Holding Company is said to have these 538,000 shares under private contract to purchase at a price of \$800,000 when title to them is adjudicated.

Home Life's Situation

J. J. Harrison, general manager of the Home Life, has issued a statement declaring that purchase of control of the Inter-Southern by the Keystone Holding Company guarantees the stability and permanence of the Home Life, 60 percent of whose stock is owned by the Inter-Southern.

"The Home Life," the Harrison statement declared, "will receive \$800,000 from the proceeds of the sale because of an assignment of 538,000 shares of Inter-Southern stock several weeks ago by A. B. Banks and associates. In addition, the state insurance commissioner has been given assurance by the new owners that they will make any necessary advances for the normal operation of the Home Life."

Effect on Other Companies

Except for the Home Life, the new owners of the Inter-Southern are confident that the other properties involved in the deal have not been seriously damaged during the time they were under the influence of or dominated by Rogers Caldwell & Co. The holdings of the Southeastern Life, the control of which is held by the Inter-Southern, are declared to be unaffected. The liquidating value of the 150,000 shares of the Missouri State Life has been set by some actuaries at more than \$60 a share, so if that value is established confidence is expressed that the holdings of the Inter-Southern will not show any material shrinkage.

Missouri State to Get Salvage

As for the Missouri State holdings, the statement has been made that there may be considerable salvage from its deposits in the Bank of Tennessee and the Bank of Kentucky, which failed in the Caldwell crash. Both of these deposits were secured by surety bonds and the Missouri State Life holds collateral, which secured its deposits in those banks. Although this collateral may not be 100 percent, it constitutes a source of much salvage, it is believed.

Those familiar with the operations of the Missouri State Life declare that

most of the securities which had been sold to that company by Rogers Caldwell & Co. consisted of municipal bonds, which are perfectly sound. There is said to be a small block of mortgages, which Rogers Caldwell & Co. sold to the Missouri State Life, which are greatly depreciated but this item is said not to be serious.

Under the accumulative voting law of Missouri which permits minority stockholders representation on the board according to the percentage of their holdings, the Keystone Holding Company is entitled to four members on the directorate. Since the Inter-Southern owns 30 percent of the Missouri State

Life stock, it is entitled to 30 percent of the members of the board. There are 13 members of the board. Two representatives of the Keystone and the Inter-Southern have already been elected to membership on the Missouri State Life board. They are: Charles M. Howell, important Democratic politician and attorney for fire and casualty insurance reciprocals, and T. H. Mastin of Mastin & Co., attorney-in-fact for the Consolidated Underwriters and Inter Insurers Exchange of Kansas City.

At a meeting of the Missouri State Life board in January the two other members of the board representing the Keystone will be elected.

1930 Payments \$2,800,000,000

(CONTINUED FROM PAGE 3)

ing year. The number of people who have received the payments during 1930 have benefited to an extent that bears favorable comparison with any previous 12 months. In addition to whatever individual well-being the payments have lent themselves, the grand total of \$2,800,000,000 has also been an important factor in the stabilization of business conditions, Mr. Flynn observes.

Chartered Life Underwriter books sold by The National Underwriter.



"ALL'S WELL"

Last July The Franklin held one convention for Agency Clubs in Glacier National Park and another at the Home Office. Next July one will be held in Los Angeles, California, and one at the Home Office.

The number of men already qualified for Club membership, the number up to schedule, and the total amount of business credited to them for the first half of the present club year (July 1, 1930 to December 31, 1930) are almost exactly the same as for the first half of the preceding club year.

If general business conditions have been less favorable this year than last year, they have thus far had no effect whatever on the Company's Agency Club production. Modern policies, a long established Company reputation for integrity and responsibility, and a loyal and dependable courage among fieldmen, make a combination that seems impervious to adverse influences.

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Springfield, Illinois

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General Agency positions open at,

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George Washington Life Insurance Company
CHARLESTON, WEST VIRGINIA

HARRISON B. SMITH, President



THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; HOWARD J. BURRIDGE, Vice-President and General Manager;

NORA VINCENT PAUL, Vice-President; WILLIAM A. SCANLON, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers

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Entered as Second-class Matter June 9, 1900, at Post Office at Chicago, Ill., Under Act, March 3, 1879

Subscription Price \$3.00 a year; in Canada, \$4.00 a year. Single Copies 15 cents.
In Combination with The National Underwriter Fire and Casualty, \$5.50 a year; Canada \$7.50

Member Audit Bureau of Circulations

Getting Back to Fundamentals

We are wont, this holiday season of the year, to take a little saner, because more detached, view of the problems of our complex civilization. This period is a particularly good time to relax from our strivings and competitions and to realize that our troubles are due largely to our own excessive desires for money, power and place.

In place of building character and principle into the rank and file of our population, our social and economic system seems organized to tempt the average man away from these conceptions and to make him feel that the whole purpose of life is to amass as much money, power and prestige as he can, without regard to the methods and means by which they may be obtained. The smaller a man's capacity and experience in his place in industry or business, it often seems the greater are his demands and expectations, and the less his scruples. We have erred in placing the emphasis upon the acquisition of money and the achievement of material success rather than upon the development of good citizenship and the building up of a sound social, political and economic system. This has had a bad effect upon the weaker elements in society.

We are not among those who would discount the value of high standards of

material well-being for the average man, but in the effort to attain and maintain these standards, have we not, temporarily at least, lost sight to a large extent of spiritual values, and shall we not be compelled to return to a simpler conception of life and living, less crowded by material things?

In spite of our absorption in selfish pursuits we have within ourselves the feeling that ours is after all a Christian civilization and by Christian we include Jew, Gentile and even the so-called non-believer. Our very form of government in America, our democracy if you will, is a product and result of Christianity in its wide sense.

Not many of us would wish to have Christianity regarded as a social or economic institution; if it were only that it would soon take its place as a mere expedient for poor, erring human nature.

Even the business and economic world must take account of these things. We must face human as well as economic problems. So must the fiber and the character of all of us, in and out of business, be tested. So must each of us realize that we have more than the one life to live; we are a part of our common humanity and must recognize that fact.

How Science Can Help

DR. R. A. MILLIKAN of Pasadena, the well known physicist and scientist, in his address before the ASSOCIATION OF LIFE INSURANCE PRESIDENTS said that science could be made available to insurance companies, especially in having them reach logical conclusions as to the possible permanency of some investments. For instance, he said that science could fairly well forecast the possible substitution of some product or process for another. Industry of certain kinds is based on the present use of a product or some process. Will this likely be supplanted by something else? Will

the copper wire for example be relegated to the dump heap and wireless be universally employed? It is here, he said, that science can assist insurance in gauging the permanency of investments in certain enterprises. Its contributions should be well worth considering.

A PERSON is having influence on others in one way or another. No one is isolated entirely from the activities of the world. He is pulling someone in some direction. It may be up, it may be down. It may be backward, it may be forward.

PERSONAL SIDE OF BUSINESS

Mrs. Jennie D. Norris, widow of Henry F. Norris, who was superintendent of agencies for the Northwestern Mutual Life and one of the most widely known insurance men in the middle west until his death about 14 years ago, died at a Milwaukee hospital after a two weeks' illness.

Lloyd T. Binford, president of the Columbian Mutual Life, underwent a major operation recently at a Memphis hospital. His condition is reported as satisfactory.

Col. C. B. Robbins, president of the Cedar Rapids Life, has announced the engagement of his daughter, Miss Anna Marcella Robbins, to T. C. Yarnall III of Chicago. The wedding will occur in the spring. Miss Robbins is a graduate of Vassar and Mr. Yarnall is a University of Illinois alumnus.

Louis M. King, 67, widely known Indianapolis life insurance man, died there last week. For more than 30 years he was associated with the agencies of the Mutual Life of New York in New York and Portland, Me. He served for three successive terms as president of the Maine Life Underwriters Association. Mr. King moved to Indianapolis about three years ago, intending to retire, but after a short vacation joined the Indianapolis agency of the Mutual Life.

Glover S. Hastings, superintendent of agents of the New England Mutual, was in Chicago on his way back to the home office from a tour of Pacific Coast agencies.

F. C. Partridge, appointed United States senator from Vermont, has been a director of the National Life of Vermont for a number of years. He is president of the Vermont Marble Company.

Claris Adams, executive vice-president American Life, Detroit, has returned from a trip during which he called on the company's managers in Harrisburg, Pittsburgh, Cleveland and Dayton.

C. B. Richardson, general agent at Richmond, Va., for the Massachusetts Mutual Life, has completed 25 years of service with the company. In celebration of the event, he was guest of honor at a banquet attended by several home office executives including Morton Snow, chief medical examiner; Joseph Behan, second vice-president in charge of agencies, and James Blake, assistant manager of agencies. A number of prominent citizens, including the governor of Virginia and the mayor of Richmond, were also present.

Col. Austin Brockenbrough, service representative of the S. B. Love agency of the Mutual Life of New York at Richmond, who has been ill more than a month, is now convalescent and hopes to be back on the job soon.

C. C. Hollenback, national auditor of the American Insurance Union, died suddenly at his home in Columbus, O., Christmas Day. He held policy No. 2 issued by the company and was one of the founders of the organization. For a number of years he edited the "American Insurance Magazine."

Joseph Meltzer, manager of the Oakland, Cal., office of the Metropolitan Life for the past 19 years, died there last week. He had been ill for several months. Mr. Meltzer had been with the company for 38 years.

P. L. Pease of Denver, agency manager for the Equitable Life of New York for Colorado and southern Wyoming, died suddenly last week. Mr. Pease was president of the Colorado Association of Life Underwriters at the time of his death. He had been man-

ager there nearly seven years and with the Equitable 17 years. Before going to Denver he was assistant agency manager at Oakland, Cal.

A. O. Swink, president of the Atlantic Life, has an interesting article in the current issue of the "Wharton News of Finance and Commerce," entitled "Life Insurance—a Professional Career With an Unbounded Future." R. G. Richards, agency secretary of the company, contributed an article to the December issue of "Richmond Magazine" entitled "A Depression-proof Industry."

M. J. Dorsey of the Keystone Holding Company, who was injured in a taxicab accident in New York while he was in that city for negotiations in connection with the purchase of the Inter-Southern Life, is much recovered. For some time the injuries to his back affected the use of his right arm, so that it hung limp. Now he has free use of his arm and is free from pain.

Stacey W. Wade, former North Carolina commissioner, has joined the Bankers National Life of Jersey City as general agent at Raleigh, N. C., with headquarters in the Odd Fellows building there. Col. Wade resigned his political post to become associated with the Home Mortgage Company of Durham, N. C., from which he is now resigning.

John G. Maher, president of the Old Line of Lincoln, will leave for a European tour after the annual meeting of the company the latter part of January. With his wife and daughter he will take a Mediterranean cruise, followed by a lengthy stay in Paris, London and other capitals.

Harry C. Rassweiler of Naperville, Ill., has completed insuring all the family of E. T. Kearns, a farmer in his community. There are eight children and the father and mother, each one carrying a policy in the Union Central. Mr. Rassweiler delivered the last policy in the group when the family was holding the 37th anniversary of the marriage of the parents. Mr. Rassweiler was spurred on to this task by reading in the Union Central agency bulletin of December, 1928, the story telling about T. A. Kearns, a Union Central agent at High Point, N. C., who insured the seven children of Mr. and Mrs. R. W. Kearns of that city. The High Point Kearns are not related to the Naperville Kearns, but Mr. Rassweiler seeing the name at High Point and realizing the Naperville Kearns had one more in their family, started out to outdo the High Point achievement.

Large Policy Becomes a Claim in 48 Hours

Only two days were required to make the \$30,000 policy of Robert Wallace, young Chicago architect, a claim. About 48 hours after it was delivered to him by the Connecticut General office of F. H. Haviland, Mr. Wallace became involved innocently in a gun fight between police and bandits, driving his car into the line of fire, and was instantly killed. Mr. Wallace was examined Dec. 8 and the contract, a five-year term plan on which he paid only the first quarterly premium of about \$300, was delivered Dec. 17. He died the evening of Dec. 19. A sad feature of the case was that F. B. Burns, broker who made the sale, tried unsuccessfully to convince Mr. Wallace that he should add the double indemnity clause, which would have doubled the payment.

LIFE AGENCY CHANGES

Many Shifts in Bankers Life

Iowa Company Announces Changes in Southern California, Denver, Columbus, O., and Dixon, Ill.

Seven changes of importance in the field organization of the Bankers Life of Des Moines are announced.

C. A. Reed of Los Angeles is resigning as agency manager for southern California after more than a quarter of a century with the Bankers Life. He will be succeeded by Severin Schulte, for the past eight years traveling home office representative on the Pacific Coast. Mr. Schulte has held the title of assistant superintendent of agencies for the past two years, and prior to that was regional sales manager. He joined the Bankers Life in 1922 after a long period of service with the New York Life. He started as an office boy in that company's Chicago agency and advanced to the post of agency director at St. Louis, which position he resigned to join the Bankers Life.

Butterbaugh Succeeds Schulte

J. G. Butterbaugh, agency manager at Columbus, O., has been appointed assistant superintendent of agencies to succeed Mr. Schulte. Mr. Butterbaugh has had charge of the Columbus office for one year. Prior to that he was one of the outstanding salesmen of the Indiana agency.

Mr. Butterbaugh's successor at Columbus will be S. G. Jones of Toledo, O. Mr. Jones' advancement comes as a reward for his work as a salesman and organizer in the Toledo agency.

Another veteran manager who is retiring the first of the year is J. F. Enright, for 10 years in charge of the Dixon, Ill., agency. Mr. Enright has been in ill health for two years and is giving up active business on the advice of physicians. The Bankers Life will discontinue its Dixon office and is assigning the Dixon territory to adjacent agencies.

Effective Feb. 1, James Teeters is resigning as agency manager at Denver and will be succeeded by W. A. Scroggs, for the past year regional supervisor. Mr. Teeters is returning to the field and will probably locate in Indiana, where he established an excellent record as a salesman for the Bankers Life before going to Denver two years ago. Mr. Scroggs entered the life insurance field in Oklahoma several years ago and made an enviable record in the Bankers Life Tulsa agency. His successor has not been announced.

Bodenheimer Gets Lincoln National in New Orleans

The insurance agency of H. Bodenheimer & Sons of New Orleans has been appointed general agent for the Lincoln National Life. The principal office of the agency is located in Shreveport, where it was founded 37 years ago by H. Bodenheimer, who is still active, but in 1912 the New Orleans office was established by J. H. Bodenheimer, who has been manager since that time.

The life insurance department of the agency will be in charge of J. G. Reddy, who has resigned the management of the National Life, U. S. A., in New Orleans. The life insurance department will occupy space adjacent to the offices of the Bodenheimer agency in the Canal Bank building.

M. H. Cook

M. H. Cook of Quincy, Ill., manager for the Sun Life, has been transferred to Indianapolis as assistant branch manager, and LeRoy R. Carlile, local representative at Quincy, has been made district manager at Rockford, Ill.

Ellsworth Goes to Rockford

Chicago General Agent of Provident Mutual Resigns to Take Charge of New Agency There

Lincoln Ellsworth, general agent of the Provident Mutual in Chicago since Feb. 1, 1926, will resign from that post and take charge Jan. 2 of a new general agency established by the company at Rockford, Ill. In this move Mr. Ellsworth will cede Cook county to the Chicago general agency which he leaves but will retain 26 other Illinois counties which he will develop from Rockford. He has taken offices in rooms 608-9 Rockford National Bank building and will have associated with him his brother, S. B. Ellsworth, who has been district agent at Rockford for a year. This change raises the company's general agencies in Illinois to four.

Mr. Ellsworth starts with a force of ten men, all of whom he placed under contract. Four district agents are located in La Salle county, three in Kankakee, one in Aurora, one in Rockford and one in Elgin. He plans a development which will increase the number of full-timers to 20 or 25 in a short time. Mr. Ellsworth is in fact going home with this change, for he was born about 15 miles from Rockford, was educated there and knows that territory best.

He has been 18 years in the Chicago general agency, being supervisor from 1924 to 1926. Since becoming general agent, just a month less than five years, he and his staff have put about \$25,000,000 on the books, which was a substantial increase over the agency's progress previously.

Several Changes Are Made

Provident Mutual Life Announces Appointments in Tennessee, Vermont and Oregon

The Provident Mutual has made several appointments in Tennessee, Vermont and Oregon, as of Jan. 2. Cameron Brackney, an associate of E. S. Albritton, who becomes Chicago general agent, will assume direction of the Knoxville, Tenn., agency. He has had wide experience, including field work in Knoxville.

H. C. Farrar, Vermont general agent, has asked to be relieved of his general agency duties. The board expressed appreciation of his long and faithful service. He will be succeeded by R. E. Holway, graduate of the University of Vermont, who started in life insurance while in college, as a part-time agent for the Equitable of New York. He made the eastern Century Club of that company and became district agent before leaving to join the Provident Mutual over two years ago.

The resignation of D. J. Sidwell, Oregon general agent, was also accepted. Mr. Sidwell will be succeeded by J. O. Broleen, formerly of the Broleen & Brake agency at Sioux City, Ia. Mr. Broleen is a graduate of Bethany College (Kansas) and has been in life insurance business 25 years. The Oregon office will be located in Portland. H. E. Brake, Mr. Broleen's partner, will continue as sole general agent for Sioux City.

Equitable's Missouri Changes

Lee Wandling, district manager at Chillicothe, Mo., for the Equitable Life of New York, has been put in charge of the St. Joseph office, succeeding G. J. Woodward, who becomes manager of Wichita.

R. C. Lippard, field assistant, has been transferred from Kansas City to



Over THREE BILLION DOLLARS has been paid by New York Life Insurance Company under its Policy Contracts. Of this total, more than Two Billion Dollars was paid to and on account of Living Policy-holders.

NEW YORK LIFE INSURANCE COMPANY

51 Madison Ave., Madison Square, New York, N. Y.

DARWIN P. KINGSLEY, President

ILLINOIS OPENINGS for two BRANCH MANAGERS

A MIDWESTERN, full level premium, mutual company with nearly two hundred millions of business in force has two exceptional opportunities in Illinois.

We have open managerial positions on salary and commission basis in Davenport—Rock Island, also in Peoria. Inquiries from aggressive, experienced and capable life insurance men will be carefully read by an officer of the Company.

Our own organization knows of this ad, and your letter will be held in strictest confidence.

Address S24, The National Underwriter

WE have an especially attractive Agency Contract to offer real producers.

Middle West Territory — Liberal Policy Contracts —
Standard and Sub-Standard — Medical and Non-Medical
Special Features

ARE YOU INTERESTED?

Address R-74 - The National Underwriter



GRAHAM DOWDELL, President

A progressive up-to-date company with a program of expansion and growth.

All Texas is our field.

The Fast Growing Company of the Southwest
SAN ANTONIO, TEXAS

Columbia, Mo., as district manager. G. H. Jackson, formerly manager there, has resigned to take up personal production. H. F. Lawrence, Maryville, Mo., has been appointed district manager for north central Missouri with headquarters at Chillicothe.

M. C. Laughman

S. N. Randolph, supervisor of agencies of the National Life U. S. A., has returned from a trip through the northwest, in the course of which he appointed M. C. Laughman agency manager in southern Minnesota. Mr. Laughman will have headquarters at Minneapolis. He has been active in that section, formerly having been a successful field supervisor and assistant manager for the Travelers in Minnesota. He has had more than 12 years' experience in life insurance.

M. S. Jones, R. T. Taylor

The Southeastern Life of Greenville has appointed as general agent in Johnson City, Tenn., Minor S. Jones, III. R. T. Taylor has been appointed general agent at Durham, N. C.

C. E. Robertson

The Confederation Life is opening a second divisional office in Toronto under the management of C. E. Robertson, who has a long and varied insurance experience.

A. A. Snyder

The Guardian Life has established a second agency in the state of Washing-

ton at Wenatchee with A. A. Snyder as manager. Headquarters are in 407 Donneen building. Mr. Snyder is from Kansas and entered insurance in Wenatchee six years ago after several years as general secretary for the Y. M. C. A. He had several year's field experience as a personal producer and then headed his own agency as state manager.

H. A. Hoskins, J. O. Broleen

H. A. Hoskins, special agent of the Provident Mutual Life in Sioux City, Ia., has been transferred to Tacoma, Wash., as district agent and J. O. Broleen of the Sioux City staff has been transferred to Portland, Ore.

Life Agency Notes

B. L. Vincent has been appointed superintendent of the Prudential at Burlington, Vt. He has been assistant superintendent at Albany, N. Y.

The Howell, Mich., office of the Western & Southern Life has been absorbed by the Lansing district. The Grafton, W. Va., office has been consolidated with the Fairmont district.

John Darby has joined the Protective Life of Birmingham and is doing special supervisory work in the home office agency. He has started a school for both old and new agents.

Abner A. Heald, general agent of the Provident Mutual Life in Milwaukee, announces the association of Clarence A. Post and Henry M. Steussy with the Milwaukee office.

EASTERN STATES ACTIVITIES

D. of C. Revenue in Jeopardy

Corporation Counsel Rules 1 Percent Premium Tax Provision Applies to Legal Reserve Companies

An opinion of the corporation counsel of the District of Columbia that the premium tax on District of Columbia business for assessment industrial health and accident and life companies is applicable to legal reserve companies will mean a loss in revenue to the district of \$65,000, according to Insurance Superintendent Baldwin of the district.

Those companies qualifying under section 653 of the district code of laws are required to pay 1 percent premium tax on District of Columbia business. Mr. Baldwin maintains that this section was framed to regulate assessment companies writing industrial insurance, since section 650 requires all insurance companies, other than mutual fire, to pay a 1½ percent premium tax. The ruling of the corporation counsel, however, makes section 653 applicable to legal reserve companies writing ordinary life and to all accident and health companies that meet the capital requirements.

Mr. Baldwin said he had submitted a memorandum to the commissioners of the district defending the insurance department's contention that legal reserve life companies do not come under the provisions of section 653.

Regional Meeting in New York

The regional meeting of the Lincoln National Life which was to have been held in Newark has been changed and will be held in New York Jan. 19-21. Speakers will include W. T. Shepard, vice-president; A. L. Dern, agency manager; Dr. W. E. Thornton, medical director, and Dr. C. J. Rockwell.

Boyce Agency's Fine Increase

The W. L. Boyce agency of the Equitable Life of New York with headquarters at Syracuse, N. Y., shows an increase of 52 percent in new business

this year in spite of the financial depression. The agency has shown a remarkable growth under Mr. Boyce's leadership. He has increased its business from \$2,500,000 to \$17,500,000 in three years.

Lowrey Talks on Salesmanship

P. H. Lowrey, general agent for Maryland of the Mutual Life of New York, was one of the principal speakers at the salesmen's convention in Baltimore of McCormick & Co., spice manufacturers. Mr. Lowrey declared salesmanship is the same in every line, whether selling insurance, spices, clothing or any other commodity. The subject of his talk was "Simplicity of Salesmanship."

Central Western State News

Michigan Life Sales Increase

Fire and Casualty Premiums Fall Off—Commissioner Livingston Reviews Insurance Conditions

LANSING, MICH., Dec. 31.—Life insurance volume will probably show an increase for 1930 in Michigan, but fire and casualty premiums will undoubtedly fall off, due to the depression which has prevailed throughout the year, Commissioner Livingston prophesies in a New Year's statement reviewing the department year.

The increase in life insurance, he indicated, is a natural result of the collapse of stock values, resulting in a diversion of funds to life insurance investments. Lowered stocks due to curtailed manufacturing and other factors related to the depression will undoubtedly reduce fire and casualty premiums, he stated.

The public's interest has been safeguarded during the past critical year

through the strengthened provisions of the revised insurance code, the commissioner emphasized. No new companies have been organized since the code became effective and several have been forced to merge, withdraw from the state, or quit business because of the increased financial strength required. The department does not wish, through operation of the code, to halt new organizations, he indicated, but merely to see that all new companies start on a safe basis which prevents possible loss to the public.

Green Signal Club to Meet

Illinois Life Agents in the Home State Will Hold Their Convention Saturday

The Green Signal Club of the Illinois Life consisting of its Illinois agents will hold its annual meeting at the Stevens hotel in Chicago, Saturday. E. H. Steffelin of Chicago is the president of the club and will preside at the meeting. The program is as follows:

Presiding—Lena H. Smith, Retiring President Green Signal Club.

President's Inaugural Address—E. H. Steffelin.

Address—Judge Byron K. Elliott, Manager and General Counsel American Life Insurance.

Conservation Trusts and Business Insurance—William T. Whitehead, Home Office Agencies.

Reminiscences of a Long Life—Col. J. T. Burford, Chicago.

The Men Who Can—William Rainey Bennett.

My First Year With the Illinois Life—Harry C. Lutz, Wabash Valley Agency.

What Are the Signs in the Skies?—C. M. Cartwright, Managing Editor The National Underwriter.

Address—John J. Delaney, South Side Agency, Chicago.

My Plans for an Increased Volume in 1931—Alva B. Wiggins, Wabash Valley Agency.

The Life Department in a General Insurance Office—Hugo J. Kralovec, Chicago Southwest Agencies.

Why I Selected the Illinois Life—Axel Lonnquist, Chicago.

A Timely Talk—Ira Miller, Northwestern Illinois Agencies.

Getting and Holding Prospects' Attention—Edwin Hansen, Chicago.

What About 1931?—R. W. Stevens, President.

Detroit Managers Meet

Members of the Life Managers Association of Detroit will discuss agency costs and conservation of business, subjects considered at the December meeting, at a session Jan. 6. President C. A. Macauley, general agent John Hancock Mutual, will preside. E. W. Owen, manager Sun Life of Canada, and L. B. Scheuer, manager Pacific Mutual Life, will conduct the discussion.

C. L. U. Course Starts

The C. L. U. preparatory course sponsored by the Chicago chapter of Chartered Life Underwriters and the Chicago Association of Life Underwriters is scheduled to start Jan. 8. Classes will be held from 4:30 to 6:30 Tuesday and Thursday afternoons in room A-318 Insurance Exchange. G. E. Brown, C. L.

U., of the Patterson agency of the Penn Mutual, is director.

Consider Colgrove Case

The Illinois supreme court has adjourned without taking action on the case of C. W. Colgrove, originator of the Mutual Estate Associations plan of selling life insurance. It is probable that decision will be rendered at the beginning of the February term. The court is expected to take one of three courses, either to decide for or against Mr. Colgrove, to remand the case to the appellate court or to dismiss the bill for want of equity on a claim contained in Mr. Colgrove's brief that the Illinois insurance commissioner has no authority in law to grant a license to an agent of a foreign company because there is no specific law requiring that agents of

foreign companies be licensed in Illinois. The corollary of this is said to be that he has no authority to cancel the license or deny a license to an agent of a foreign company.

Aetna Life Conference Jan. 15-17

The sales conference of the Aetna Life Wisconsin and northern Michigan agency will be held in Milwaukee Jan. 15-17. A. E. Mielenz, general agent, is in charge of the program, which will be announced shortly.

Stumes & Loeb Luncheon

Stumes & Loeb, Chicago general agents Penn Mutual, were hosts at a luncheon at which B. F. Shapro, San Francisco general agent of the company, spoke. The entire staff attended.

IN THE MISSOURI VALLEY

Double Indemnity Extended

Despite Policy Stipulation to Contrary, U. S. Court Rules in Missouri Provision Is Continued

Extended insurance purchased with the cash value of a life insurance policy after lapsation also continues in effect the double indemnity even though the policy expressly states that the continued insurance shall be without double indemnity benefit, according to the United States circuit court of appeals for the eighth circuit in the case of New York Life vs. Rositzky.

The court rules that under the law of Missouri, where the policy was written, unless the policy contained a provision for the unconditional commutation of the policy for nonforfeitable paid up insurance, those sections of the revised statutes of Missouri specially prescribing the rules for extended insurance are applicable.

Agreement Is Void

Under the Missouri law, the court ruled, the agreement of the parties that no part of the value of the policy at the time of the lapse should be applied to the purchase of double indemnity benefits was void. The accident benefits were held to be life insurance and did not constitute a separate contract.

The New York Life argued that there was no cash value for the double indemnity feature, and therefore, it could not be extended, but the court overruled this contention, pointing out that the cash value on lapse was more than sufficient to pay a full year's premium on a new policy like the one in question if taken out by the insured on the day the lapse occurred.

Confer With Commissioner on Insurance Legislation

LINCOLN, NEB., Dec. 31.—Commissioner Dort conferred here Friday with a delegation from the insurance subdivision of the Omaha chamber of commerce on the character and extent of the insurance legislation that the

coming session of the legislature should be asked to consider. F. T. B. Martin of Martin Bros. & Co., F. N. Croxson, Equitable Life of New York; L. D. Erion, Travelers Health; H. E. Worrell, Omaha Life; S. C. Carroll, Mutual Benefit Health & Accident, and P. K. Walsh, National Security Fire, comprised the delegation. They were joined at the conference by E. J. Faulkner, Woodmen Accident, chairman of the insurance subdivision of the Lincoln chamber of commerce; F. E. Helvey, legislative representative and secretary of the state insurance federation, and others from Lincoln. Various proposals of Commissioner Dort made in recent addresses were included in the discussion. It is expected that because of the restless condition in business the insurance interests will also be faced with a number of radical proposals introduced in the two houses, and steps were taken to prepare for a thorough presentation to legislative committees of the merits or demerits of all proposals.

Dort Reviews Proposals

Mr. Dort reviewed proposals for separating the insurance bureau from the department of trade and commerce, and suggested that the full force of insurance company and agent influence be brought to bear to secure a four or six-year term for the commissioner, as was done by the last legislature with the banking commissioner, removable only for cause. New rules on juvenile insurance, misrepresentation of policies and slandering of companies were also discussed.

Nebraska Ruling on Non-Medical

LINCOLN, NEB., Dec. 31.—Answering an inquiry from the insurance department Attorney General Sorensen holds that an annual premium life policy which provides for collection in monthly installments can be written in this state without medical examination. Under his interpretation, the law forbids writing policies without medical examination except in groups of 100 or more or industrial insurance, in cases where the premiums are not required to be paid as often as once a month, but he holds that if the policy names a certain sum

More Protection for Same Cash Outlay

That's What Your Client Gets in Our New "Business Men's Special" Life Policy

A Contract Designed to Fulfill His Dreams by Giving Him Maximum Protection Now, When Needed Most, but with Sufficient Flexibility to Take Care of His Future Requirements

Some of the Features—

Term to Age 65—Convertible as of original age or at attained age any time before Age 60 to any regular Life or Endowment plan—Substantial guaranteed annual credits on conversion—Guaranteed cash, loan or other non-forfeiture values beginning at end of third year and increasing annually—Usual disability and double indemnity benefits—Investment opportunity.

An Agency for You Somewhere in This Territory



Unite With a Progressive Company and Progress With It



Mention The National Underwriter when writing for a free copy of "The Lincoln Life Man."



They are hard working dollars that buy maximum protection. Guaranteed low-cost insurance. The Life Expectancy policy of The Lincoln National Life Insurance Company of Ft. Wayne, Ind.

A GREAT KIT OF POPULAR POLICIES ——— JUST ASK US ———

as an annual premium, providing, however, that a certain part of it shall be paid at least as often as once a month, the law permits the issuance of such a policy without medical examination.

Forms Quarter Million Club

The American National of St. Louis has launched a Quarter Million Club and five agents have already qualified for membership. They are: F. W. Smelser, Kentucky state manager; W. G. Palmer, Oklahoma state manager; R. C. Addicks, St. Louis general agent; Edmond Mayer, Oklahoma district manager, and D. F. Young, Oklahoma district manager. Each of these men has produced more than \$300,000 of new business in 1930. Messrs. Smelser and Young have been producing at a million dollar rate.

Northwestern Mutual Meeting

The annual meeting of the western Missouri agency of the Northwestern Mutual Life will be held Jan. 9-10 in Kansas City. Roger Clark, assistant superintendent of agencies, will conduct the meeting. About 50 are expected to attend. Sam C. Pearson is general agent.

Corn Belt Life Plans Activities

Officers and stockholders of the newly-organized Corn Belt Life of Nebraska have just completed a three days' meeting, at which details for actively entering the field in January were gone over and a showing arranged for

the insurance bureau so that a license will issue at once. The articles of incorporation were approved some time ago. The president, Carl E. Sanden, says that a full force will be put into the field shortly after the beginning of the year. Considerably more than 200 policies required by law for qualification have already been written.

State National's Good Record

The State National Life of St. Louis reports that in 1930 its agency organization has produced \$2,422,499 in written business, of which \$1,798,952 has been issued. President Cornelius J. Shea and the other officers of the company have congratulated the agents on the record made despite the hard times.

Reports \$600,000 Increase

The Minneapolis agency of the Mutual Benefit Life reports a \$600,000 increase in business in 1930 over last year. Plans for 1931 were discussed at a luncheon of the agency staff with George T. Blandford, general agent, as host.

Klingman Agency Conference

Forty district managers and field assistants of the Klingman agency of the Equitable Life of New York held a conference in St. Paul last week.

W. W. Klingman, vice-president of the company, was on from New York and will remain about a week. A. B. Dalager, formerly of the Klingman agency, now manager at Wilmington, Del., and F. E. Croxson, Omaha manager, also attended the conference.

expected a final opinion will be out in a few days.

Should the opinion hold, the companies do not have to pay at one stroke for two years, it appears now that the department would be liable for refund to such companies that have paid the advance taxes.

Lincoln Reserve Banquet

President J. R. Burns of the Lincoln Reserve Life of Birmingham and Manager A. B. Hale were speakers at a banquet held by the Birmingham agency as the culmination of a contest between two groups captained by LeRoy Corley and A. P. Smith.

McCall to Be Assistant

BIRMINGHAM, ALA., Dec. 31.—Attorney-General McCall, regarded as "unfriendly" by insurance interests, will be retained as an assistant by Attorney-General-elect Knight. As an assistant he will likely prosecute suits he filed against a number of insurance companies to collect a tax of \$2 on each \$1,000 of capital stock invested in Alabama in the form of mortgage loans.

Insurance companies which pay the regular mortgage tax on these real estate loans are exempted from further taxation by a special statute of the legislature but Attorney-General McCall has held this statute unconstitutional. In-

urance companies are estimated to have \$100,000,000 loaned in Alabama and should McCall be successful in the test cases insurance companies would be required to pay this extra tax for the past five years.

Goes Million Over Quota

The W. Tolar Nolley agency of the Northwestern Mutual Life at Richmond, Va., rounded out the year with production totaling a little more than \$5,000,000. This was a million more than its allotted quota, which was passed three months before the close of the year. Bulk of the insurance written, according to Mr. Nolley, was straight life.

Charge Against Agent Dismissed

Charges of misappropriation of premiums on policies issued by the Pan-American Life brought against J. M. Commander, Norfolk, Va., agent, have been dismissed by the Virginia corporation commission. The commission held that they were not sustained by the evidence and did not justify revocation or suspension of his license. Commander's defense was that the relation of debtor and creditor existed between him and a Norfolk agency by which he was employed and that the firm was indebted to him in an amount more than sufficient to offset the premiums he was alleged to have converted to his own use.

PACIFIC COAST AND MOUNTAIN

Can't Reach Insurance Fund

California District Court of Appeals Holds Insurance Companies Can Not Touch Benefits

The California district court of appeals of the fourth appellate district in North British & Mercantile et al. vs. Ingalls decides an interesting case. Ingalls represented insurance companies as an agent. Shortly after his death his wife was appointed executrix. She was beneficiary in his life policies. After his death she received \$67,355 life insurance. The assets of the deceased amounted to \$17,967. The claims amounted to \$44,591. The insurance companies claimed \$28,000. They instituted suit against the widow to subject the life insurance received by her personally to liquidate the debt.

The attorneys for the companies declared that the widow had only an expectancy and not an estate in the benefit to be derived from the life insurance. They declared that this expectancy did not ripen into an interest until the death of the husband. The companies claim that on the death happening a gift of the benefit occurred from the husband to the wife, that as the gift was without consideration and as the husband was insolvent at the time it was void as against his creditors.

The higher court states it would probably hold that a wife named as beneficiary, premium having been paid from community funds and in which the right has been reserved to the assured to change the beneficiary, has a greater interest than a bare expectancy which might be defeated by the caprice of her husband. The court says there was no fraud on the part of any one in the act of the deceased in taking out the life policy. He was solvent at the time. None of his companies were creditors. The law looks with favor upon the attempt of the husband to provide a competence for his widow. The court says that as long as life remains in the husband the status of the parties in the property remains unchanged. When life departed the change occurred. The involuntary fact of death is not an act by which one can commit fraud or in which an omission to perform a duty from which construc-

tive fraud may be inferred. The benefits paid to the widow were the result of the payment of these premiums and her insurance interest in her husband. The judgment for the widow was therefore affirmed.

Oregon Court Reaffirms Its Burkholder Decision

The Oregon supreme court has reaffirmed its decision in the case of Northern Life vs. Burkholder that when a policy is made payable to the estate of the insured as beneficiary with right reserved to change the beneficiary by notifying the company, and having the change endorsed on the policy, the insertion of the name of the new beneficiary on the policy without the knowledge of the insurer is a valid change if the insurance company files a bill of interpleader and pays the money into court for a determination of the rights of those claiming it. The supreme court denied a petition for a rehearing.

In denying the petition for rehearing the court distinguished the case from three earlier Oregon decisions cited by the petitioner. In those cases, it was stated, the original beneficiary was an existing individual instead of the estate of the insured.

Power of Oregon Department

The attorney general of Oregon has informed Commissioner Lee that failure of a grand jury to return a true bill against a life insurance agent charged with falsifying the records of his company does not preclude the commissioner from ordering suspension or revocation of his license.

Central West in Better Shape

"Conditions in Iowa and the central west are not as bad as in the east. Interest on farm mortgages is being paid better today than for some time past," L. J. Dougherty, president of the Guaranty Life of Davenport, told the Davenport Advertising Club.

Mr. Dougherty predicted that the present depression period would make shrewder and more careful purchasers out of the American people. "The purchaser will analyze his purchases more carefully and will know that he has the money before he buys," he said.

IN THE SOUTH AND SOUTHWEST

View Texas Prudential Home

House Organ Takes Reader to Desks of Officers and Explains Their Duties

An interesting picture of the home office, its personnel and operations, is contained in the house organ of the Texas Prudential of Galveston. The article is prepared in the form of a trip of inspection through the quarters of the home office on the fourth and fifth floors of the Prudential building in the heart of the Galveston business district.

The author takes the reader to the desk of S. E. Kempner, vice-president, which is handsomely furnished. From there, the reader is taken to the desk of T. E. Flick, secretary-treasurer, and from there to the office R. W. Rogers, manager of industrial agencies.

Then H. Gale Rogers is met as well as E. T. Elmendorf, R. L. Wallace, Fred R. Mann, Dr. Titus H. Harris, C. W. Blair and the other managers of departments. At each stop the reader is informed of the duties of the officer and something about his personality.

Consider Texas Legislation

R. A. Hittson, president of the Texas Association of Life Underwriters, called a meeting of the legislative committee at Austin last week to consider the presentation of measures to the Texas legislature. The members of the association hope to secure the passage of measures which will improve conditions for the insurance buying public and the underwriters. It is hoped that through cooperation of the association and the insurance department the operation of irresponsible organizations may be reduced to a minimum.

Protective Life Party

Protective Life home office folk were hosts to 175 friends at their annual Christmas party held at the Hollywood Country club in Birmingham.

Test Alabama Domestic Tax

Three Home Companies Contest Payment of Advance Fees as Required by Department

MONTGOMERY, ALA., Dec. 31.—Again there is a legal tangle involving an interesting problem concerning the privilege or premium taxes exacted by the state from domestic insurance companies.

Many years ago, the old Alabama law allowed domestic insurance companies to pay their taxes at the end of the year instead of at the beginning. Subsequently, about 1915, a law was enacted providing that a domestic company, at the end of its first year's business, should pay the tax for the previous year based on its premiums for that year, and also should pay for the succeeding year on the same basis. However, the insurance department for years did not seek to enforce the new law and the companies were permitted to pay their taxes at the end of the year for the preceding twelve months only. But, in 1927, the legislature, by enactment, sought to exempt domestic companies for funds invested in real estate mortgages and soon thereafter the insurance department took steps to collect from a company, not only its taxes for the past year, but, in advance, for the next year. As explained by the department, the new law provided a "yard stick" by which the taxes might now be measured for advance payment.

All Except Three Pay

All except three companies have paid as required by the department, but these three are resisting on the ground that the law does not require them to do so. The attorney-general had the question under advisement at the request of the insurance department and recently rendered a ruling, which, it is indicated, was harmonious with the contentions of the resisting companies, but the department recommended the matter to the attorney-general for further consideration. It is

ACCIDENT AND HEALTH FIELD

Increases Its Non-Can Rates

Pacific Mutual Premiums Show 9 Percent Average Advance—Older Ages Higher

The Pacific Mutual put into effect on Jan. 1 a new scale of rates on its non-cancellable income policy, showing about a 9 percent average increase for all ages and a greater increase for the older ages than the younger. There is no change in classification nor in the premium rates for the principal sum. Larger increases occur in the two and three

months elimination period policies in all classes than in the one month elimination.

A table of new rates for representative ages is shown herewith.

Age	Classes A and B Elimination			Classes C and D Elimination		
	3 mos.	2 mos.	1 mo.	3 mos.	2 mos.	1 mo.
20	28.50	35.50	48.50	31.50	39.00	53.00
25	31.50	38.50	52.00	35.00	42.50	57.00
30	35.00	42.50	56.50	38.50	47.00	62.00
35	39.50	47.50	62.50	43.50	52.50	69.00
40	45.00	54.00	70.00	49.50	59.50	77.00
45	52.00	61.50	79.50	57.00	68.00	87.50
50	60.00	70.50	90.50	66.00	77.50	99.00
55	69.50	81.00	102.50	76.00	89.00	113.00

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature. Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and April respectively. PRICE, \$4.00 and \$2.00 respectively.

Metropolitan's 1931 Dividends

Anticipated Total of \$94,500,000, Ecker Says, Will Set All-time Record

NEW YORK, Dec. 31.—Dividends declared for industrial policyholders of the Metropolitan Life for 1931, subject to the approval of the New York department, exceed \$44,500,000 while the dividends already declared for ordinary policyholders plus those expected to be declared in January will approximate \$50,000,000, bringing the total for all classes of Metropolitan policyholders for 1931 close to \$94,500,000, an increase of more than \$12,000,000 over the preceding year.

In announcing the action of the board, President Ecker stated the anticipated payment of \$94,500,000 of dividends will prove to be the greatest ever declared for any one year by any life company.

Explanation of Dividends

While the bulk of the dividends will go to industrial policyholders in the form of premium credits for periods ranging from seven to 26 weeks, there are included also mortality and maturity dividends on death claims occurring or endowments maturing in 1931, of from 2½ to 25 percent of the face of the policy. Equalization dividends in connection with such payments are also provided by which the increased benefits under certain tables of recent years are made retroactive to holders of industrial policies of similar class but which were issued under earlier tables that afforded lesser benefits. In certain instances of policies of long duration, these equalization dividends, together with the premium credits and mortality dividends under present declaration, will result in the original benefit being practically doubled, while the cost to the insured is reduced by one-half. Included in the dividends which have been approved is a sum set aside for the permanent equalization, through an increase in benefits, of certain types of policies, issued under tables in use years ago. The company's industrial monthly premium policies, introduced in 1927, will receive their initial dividend in 1931, in the form of a paid-up addition to the sum insured, applicable to policies issued during 1927.

Including the declaration of dividends on Industrial policies for 1931, the Metropolitan will have paid or credited to its industrial policyholders more than \$310,000,000 in dividends and bonuses," Mr. Ecker declared.

"The dividends," he added, "to be paid in 1931 afford a striking commentary on the stability of the life insurance investment. Despite the depression of the past year, our policyholders will be glad

to learn not only that their policies are worth par, but that the company's business through 1930 has warranted this liberal distribution of dividends to policyholders, resulting, in fact, in a substantial increase in the aggregate amount of these dividends over any amount paid in prior years."

Manufacturers' Agents May Bind for Higher Limits

The Manufacturers Life of Toronto is preparing to put a new application form into use in Canada and the United States. The principal change is that the limit to which the company may be bound is increased from \$10,000 to \$25,000 when, for amounts exceeding \$10,000, the signature of the agent and one of the company's regularly appointed medical examiners is attached. Agents are authorized to bind the company for amounts not exceeding \$10,000 on their own signature instead of only to the extent of non-medical limit.

In view of the fact that limit is substantially increased, the new interim receipt is not valid if the applicant is over 60 years of age nearest birthday.

The new interim receipt form will specify that double indemnity is included in the meaning of the word "insurance" providing the total amount, including double indemnity, does not exceed \$25,000.

The interim receipt for cash payments will form part of the application for insurance, superseding the interim receipts now in use.

Issues Family Income

The George Washington Life of Charleston, W. Va., announces that it shortly will issue a family income endowment on participating basis, the dividends it is estimated to be the same as those now paid under the endowment at 85. Cash, loan and reduced paid up insurance and extended insurance are given special values for the first 20 years, after which they are the same as for the endowment at 85.

The income form may be changed to the endowment at 85 later if desired. Commutation of monthly income payments is not permitted under this contract except on written authority of insured filed with company during his lifetime. Age limits are 20 to 50, and this will be written on both men and women. Disability and double indemnity may be added. Minimum limit is \$3,000. Term insurance may be converted to this form at attained age on proper terms, but no other policies in the company may be so applied.

The George Washington states it will

Annuities

Insurance

AMERICAN CENTRAL LIFE

INSURANCE COMPANY

INDIANAPOLIS

Old Line Legal Reserve

Established 1899

HERBERT M. WOOLLEN, President

Guaranteed
BenefitsGuaranteed
Low Cost

Wanted a Man

Possessing the following qualifications:

- AGE 35 or over, seasoned and a producer.
- THREE years of life insurance experience.
- Must be personally acquainted with at least 25 life agents.

. . . . to him we offer

- The Highest commission for low cost participating insurance.
- The services of an experienced field man, to help him in the field, appointing sub-agents, giving sales helps and to "PUT HIM OVER"

Over \$125,000,000 in Force

We are particularly interested in Illinois, Missouri, North Carolina and Michigan, especially Detroit. Write fully. We will not check references until after interview.

Address R-38, care The National Underwriter

Rockford Life Has A Message for You

President F. L. BROWN
ROCKFORD LIFE INSURANCE CO.
ROCKFORD, ILLINOIS
DEAR SIR:— SEND ME THE MESSAGE

NAME _____ ADDRESS _____ CITY _____ STATE _____

IT CONCERNS
GENERAL
AGENCIES

HOME LIFE INSURANCE COMPANY

of New York

A COMPANY OF OPPORTUNITY

Ethelbert Ide Low,
Chairman of the Board

James A. Fulton,
President

On Agency matters address
H. W. Manning, Superintendent of Agencies
256 Broadway, New York

625,852 Prospects

received advertising letters
in first nine months of 1930

\$36,210,101 of Business

sold on lives of "advertised"
prospects in same period.

BANKERS LIFE COMPANY

GERARD S. NOLLEN, President

Established 1879

DES MOINES, IOWA

The Rewards of Consistency

IF A BUSINESS MAN takes care of his business, the business takes care of him. Life insurance field work is a business, and subject to the principles of general business. Those who achieve in this work are those who give it their undivided and full thought and effort. Isn't this merely natural and logical?

Life insurance field work under satisfying conditions is a career giving opportunity for achievement and profit according to ability and undivided effort. THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK affords such conditions to its field workers. Life insurance in all standard forms, annuities, disability and double indemnity benefits, prompt and equitable dealings, and facilities for serving policyholders in practical ways combine to make its agency force successful.

Earnest-minded men and women of character and ability contemplating a career in full-time field work are invited to apply to

The Mutual Life Insurance Company

34 Nassau Street
DAVID F. HOUSTON
President

of New York

New York, N. Y.
GEORGE K. SARGENT
2nd Vice-President
and Manager of Agencies

pay the monthly income for the full number of unexpired years after insured's death, so that if, for instance, the insured dies on the last day of the first policy month of the year the income to beneficiary will be paid for 20 full years.

Rates are: Age 20, \$23.94; 25, \$26.27; 30, \$29.45; 35, \$33.96; 40, \$40.46; 45, \$49.91; 50, \$63.82.

Girard Life

The Girard Life's new modified life policy is a term contract running to age 65, convertible without medical examination to age 60 and upon evidence of insurability between ages 60 and 65. At age 65 four options are available as follows: (1) Insurance reduced one-third and premium reduced 55 to 60 percent; (2) paid-up policy for reduced amount (depending upon age at issue); (3) cash surrender; (4) insurance for face amount but premium increased to \$54.26 for policies issued at age 20, increasing to \$66.73 for policies issued at age 55. The non-participating rates per \$1,000 are:

Age	Prem.	Age	Prem.	Age	Prem.
20....	\$11.66	35....	\$16.51	50....	\$28.09
25....	12.80	40....	19.27	55....	35.08
30....	14.42	45....	22.98		

Equitable Life of New York

The Equitable Life of New York states that in connection with retirement annuities issued on the revised general monthly premium plan, a minimum monthly premium of \$15 is now per-

missible. A minimum monthly premium of \$10 for decreasing renewable term insurance will be allowed when such insurance is taken in conjunction with the retirement annuity on the monthly premium plan.

National Fidelity Life

The National Fidelity Life has added to its line of juvenile policies by offering the G. I. A. contract, one of its most popular policies, down to age 5.

At age 5 for \$1,000 of insurance the premium is \$31.92. At the end of the second year the policyholder has \$1,058 of insurance and at the end of the 20th year it is paid up for \$2,000.

Northwestern Mutual

The Northwestern Mutual Life announces the continuation of its 1930 dividend scale for 1931.

Texas Life

The Texas Life of Waco announces that after Jan. 1 it will write business on a quarterly and semi-annual basis. In past all business was written on an annual basis.

At the same time a new 20-pay endowment at age 65 is being added. These changes have made necessary a new 80-page rate book which will be available to agents the first of the year.

These changes were worked out by V. V. Veach, actuary, and J. D. Mayfield, president.

NEWS OF LIFE ASSOCIATIONS

Oklahoma Program Ready

Lackey and Crandall Among Headliners
at State Meeting January 10—Producers to Tell Methods

OKLAHOMA CITY, Dec. 31.—G. E. Lackey, president of the National Association of Life Underwriters, and L. M. Crandall, Norwich, Conn., of the New England Mutual Life, will be among the principal speakers on the Oklahoma Association of Life Underwriters' state life insurance day program here Jan. 10. Mr. Lackey will speak on the value of the association and its accomplishments, and Mr. Crandall on "An Application Per Call."

An address of welcome will be given by Mayor W. C. Dean, response by R. H. Carter, association president, an address by Commissioner Read, and a series of short talks on securing applications by the following: D. B. Wolfinger, Pacific Mutual, Oklahoma City; Herndon Lackey, Massachusetts Mutual, Oklahoma City; Josephine Lincoln, Equitable Life of New York, Oklahoma City; R. T. Williamson, Ada, Central States Life; E. L. Klein, Oklahoma City, Reliance Life. Prizes will be awarded to those who have paid for 100 or more cases during the year.

Tells How to Pay for Million

R. W. Dozier, Oklahoma City, Massachusetts Mutual Life, and Frank Engle, Tulsa, Phoenix Mutual, will open the afternoon's program with brief discussions of "Methods Used in Paying for One Million." H. I. Buchheimer, Ponca City, Equitable Life of New York, will tell how he wrote 114 applications in Oklahoma during one month. G. W. Gable, Tulsa, Central States Life, will discuss methods used in building a prospect list and how he gets settlement of each application. "What the C. L. U. Has Meant to Me" will be explained by Leon Willits, Oklahoma City, general agent, Northwestern Mutual, and 1931 conservation methods will be outlined by E. O. Zander, Kansas City Life; W. A. Roblin, Equitable Life; G. C. Summy, Phoenix Mutual, and E. G. Owens, Mutual Life.

"What Life Insurance Means to Women" will be told by Mrs. W. S. Pritchard, Garner, Ia., now with the National Association. The closing address

will be given by R. B. Hull, managing director National association.

* * *

Toronto Association Pushes Joint Advertising Program

TORONTO, Dec. 31.—Officers of the Life Underwriters Association of Toronto are considering a plan for joint advertising at the expense of members. For some years institutional advertising by life companies in Canada has been in operation under supervision of the Canadian Life Insurance Advertisers Association. This is of course paid for by companies. Some advertising men feel that this campaign could be supplemented to advantage if the agents will bear some of the cost.

The present proposal is limited to Toronto, where the companies' campaign now consists of ten advertisements a year of 800 lines in each newspaper. Agents are being invited to supplement this by 42 others, making one a week throughout the year. This would cost the agents about \$30,000, and would figure about 25 cents per \$1,000 of new ordinary insurance. The underwriters have appointed a committee to investigate.

* * *

Denver.—Local life insurance women not only have proved their worth in writing applications but they have just staged the most successful Christmas frolic for the Colorado association.

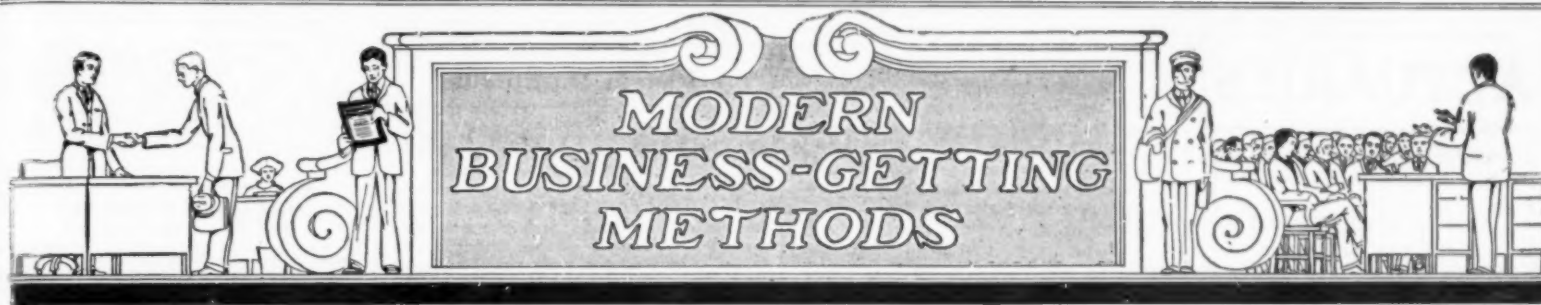
The committee in charge of arrangements included Marie B. Parker, Equitable Life of New York, chairman; Theodora Raines, New York Life; Margaret N. Taub, Aetna Life and Mrs. Celia Downs, Pacific Mutual. This was the first association activity in which the women have ever taken active part.

P. L. Corbin, agency director of the New York Life, has been chosen president of the Colorado association, succeeding the late P. L. Pease. An early selection was deemed imperative by the executive committee in view of a number of important programs which had been set in motion by the Pease administration.

* * *

New York City.—Chairman R. L. Jones of the sales congress of the New York City association is already at work with his committee on plans for the coming session, which will take place March 12. An unusual program is planned. Mr. Jones, who is a general agent of the State Mutual Life, is treasurer of the

(CONTINUED ON LAST PAGE)



Lack of Aggressiveness Is Indicated As Chief Reason for Production Slump in Reports Made to Research Bureau

The old year is ended with its trail of depression and many attendant evils. Comes the task of opening a new book which may or may not have a different ending than the story of 1930, depending to a large extent on the individual and collective effort of every one in life insurance.

H. G. Kenagy, assistant manager Life Insurance Sales Research Bureau, has something important to say in this connection:

"Evidence accumulating in the offices of the Life Insurance Sales Research Bureau indicates that the life insurance business has experienced a decline in sales which, while not severe, has been worse than it should have been! So many agencies and companies are equaling or exceeding last year's record that there seems no good reason why the business generally should not have remained nearly normal.

Says That Agents Can Snap Out of Slump

"But the important point just now is that we can snap out of the slump by (1) making just 20 percent more interviews, (2) using more intelligent prospecting methods, and (3) adapting our sales talks to present conditions. There is no good reason why life insurance volume should not return to satisfactory levels immediately. Already there are signs which point to such recovery.

"The Research Bureau has been interested for several months in accounting for the fact that some companies and some agencies have consistently reported new paid volume above the average for the business as a whole, and in some cases above 1929 figures. Recently it was spurred to make a special investigation by the statement of a thoughtful general agent in Pittsburgh that 'selling

activity is only 50 percent of normal while selling efficiency, as measured by closing percentages, is probably as high as ever.' A letter was dispatched to representative agencies of all types in all sections of the country, asking for facts. The returns were so significant that they are here presented in some detail.

Public Attitude Is Much Better This Year

"There is no denying the fact, of course, that business conditions generally have increased sales resistance or that, in some localities actual purchasing power has been reduced. But these adverse conditions are offset by the more significant fact that public attitude toward insurance is more favorable than ever before.

"Furthermore, the actual purchasing power of prospects for ordinary life insurance has been only slightly impaired in the aggregate, and many classes of people are better off, due to the decline in the price level. Savings deposits have actually increased the country over. If agents generally were making capital of the present favorable circumstances, it would not be difficult to show an increase rather than a decrease in sales.

Reports Show Men Are Not Extending Themselves

"A majority of the general agents and managers reporting, state that 'there has been a general apathy among the majority of life insurance agents which is definitely reflected in their sales effort.' 'It is my opinion,' says an Iowa manager, 'that the whole trouble with our agency force is a mental condition. They have heard and have been singing the blues for such a long time that it is hard for them to get over this very bad habit.' From Ohio comes the report: 'Our pro-

duction lately has fallen off about 50 percent. I attribute this fact to the lack of interviews.'

"A St. Louis manager reports in terms of an actual conference with his 16 full-time men: 'Are you making as many interviews as usual?' Seven said 'yes'; six said 'no'; three evaded the issue. 'Are you closing as large a percentage of cases?' All but two said 'no.' The two who said 'yes' were the men who had been making the greatest number of interviews.

"An agency in Pittsburgh which keeps accurate reports: 'The group as a whole made 20 percent fewer interviews during November than they averaged during the first three months of the year.' The reason, as suggested by another report, seems to be that 'many of them appear to be busy talking depression instead of presenting sales propositions.'

"An interesting feature of the situation, reported by several managers is the fact that 'our new full-time agents have not been affected by the so-called depression. Our analysis proves conclusively that the older agents, in length of service as well as age, have been the weak spots in our organization.'

Older Men Have Lacked Punch in Closing Cases

"Speaking of agents with five or more years of experience, one manager says: 'Owing to the fact that most of their contacts are policyholders, combined with the knowledge of poor business conditions, their closing methods are probably lacking in punch. They are more inclined to have a sympathetic feeling toward the man who 'has no money.'

"Most of the reports insist that there has been an increase in sales resistance resulting in a decreased closing percentage. It is not increased resistance to life insurance but to 'spending the money.' The stock market crash and the depression have made people cautious and afraid.

"A Canadian company which keeps careful records on all agents finds that it now requires 15 interviews to secure

one sale as compared to 12 last year. A large city agency in the United States with a high closing percentage, finds that closing efficiency has dropped during the year from 1 in 5 to 1 in 6.2 interviews.

Agency Managers Find Way to Get Business

"The most interesting and heartening fact turned up by the survey is that many agency managers, realizing that unusual conditions required unusual methods, have found ways to keep their production from slipping. Some, indeed, have been able to break all former records.

"Some of these managers volunteer information on how they have managed to keep business up to par; still others indicate what they have learned about how it can be done. From Baltimore came this word: 'We have rather stressed the importance of continuing to make calls, even though things may be quiet, on the theory that seed must be planted in the spring and cultivated through the summer if a harvest is to be had in the fall. A man who is making calls, even without the usual results, can expect a harvest when things do pick up. Our message has had a beneficial effect. We have been able to maintain our usual number of interviews and, as a result, the usual percentage of cases.'

"A well-known New York agency summarizes the first ten months, in which it has experienced no slump, as follows: 'It is somewhat harder to do business today, but that simply means that an agent who worked two hours a day last year, now has to work two hours and 15 minutes, perhaps, to accomplish the same result. If he would work three hours a day he would plus his business. Guts, plus hard work, still spell success.'

Gives Figures Presented by Some Agencies

"Some interesting individual records, included with the general reports, confirm the opinion just expressed. For example, in one agency, the total num-

70 MILLION AMERICANS "can't be wrong!"

The magnitude of the great Thrift Army enrolled under the standards of Life Insurance is strikingly emphasized to Guardian policyholders in a premium notice insert bearing the above caption.

This is one of the ways in which, during December and January, the significance of *Life Insurance Day* in *National Thrift Week* will be brought before our policyholders, preparing the way for the Fieldman's personal contact with them.

THE GUARDIAN LIFE
ESTABLISHED 1860
INSURANCE COMPANY of AMERICA
50 UNION SQUARE • NEW YORK CITY

Live and Let Live.....

On that sound basis of mutual satisfaction Fidelity has framed its agency contracts. More than half a century of fair dealing has built the high reputation among field men it now enjoys.

A singularly successful lead service is backed by a very complete offering of modern policy forms. Low Rate policies also contribute to easier selling. The Fidelity is financially solid and operates in thirty-nine states, including New York, on a full level net premium basis. It has over \$425,000,000 insurance in force.

Openings are available for the right men.

The FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA
WALTER LEMAR TALBOT, President

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Life Insurance Accountants
Statisticians

J. Charles Seitz, F.A.I.A. Consulting Actuary
Author "A System and Accounting for a Life Insurance Company."

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Legal Reserve, Fraternal and Assessment Business—Pensions
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MISSOURI

ALEXANDER C. GOOD

Consulting Actuary
887 Paul Brown Building
St. Louis, Missouri
and
809 Securities Building
Kansas City, Missouri

NEW YORK

Miles M. Dawson & Son

CONSULTING ACTUARIES
88 W. 44th St. New York City

WOODWARD, FONDILLER and RYAN

Consulting Actuaries
Insurance Accountants
Jonathan G. Sharp Offices at
Richard Fondiller 75 Fulton St.
Joseph Linder New York
Evelyn M. Davis

OKLAHOMA

T. J. McCOMB

COUNSELOR AT LAW
CONSULTING ACTUARY

Premiums, Reserves, Surrender Values, etc., Calculated. Valuations and Examinations Made. Policies and all Life Insurance Forms Prepared. The Law of Insurance a Specialty.
Colcord Bldg. OKLAHOMA CITY

ber of interviews per agent declined from 560 for the first ten months of 1929 to 470 for the corresponding period in 1930, accompanied by a decline in total sales per agent from 51 to 41 (the same closing percentage!) and a drop in average volume from \$225,000 to \$212,000. In the same agency, one ambitious man increased his interviews by 87, made two fewer sales, but increased his business by 24 percent.

"Among the methods used, and remedies suggested, to meet the situation, daily reports take first place, but better prospecting and more intelligent sales methods are also included. An Indianapolis manager who confesses to being 'more than pleased with our work during November,' having achieved double the usual monthly production and a high average size of policy, states: 'I feel that our results have been aided materially by the fact that for the past two months we have been asking for daily reports from all our men.' From Baltimore (a second agency) comes the statement that 'our higher percentage this month is due to two factors, the first of which is the necessity of making the written report.'

Average Policy Sales Larger Than in 1929

"An interesting bit of food for thought contained in a surprising number of the reports is the fact that the average policy sold this year is larger than in 1929, while the number of cases has fallen off. True, some reports run counter to this, reporting more but smaller cases. A Boston agency reports a reduction from \$5,500 to \$3,800 and laments that 'much smaller number of \$50,000 cases or over that have been written this year as compared to ordinary years.' A Pittsburgh agency concurs in this sentiment. But from other sources come such statements as:

"Our paid-for business shows a decrease of only 6 percent in number of cases and an increase of 3.37 percent in volume. This indicates a rather healthy increase in average size policy for 1930."

"Our agency has paid for almost exactly the same number of lives so far this year. The average case has been somewhat larger but the average premium per \$1,000 has been a little less."

"We are about 30 percent ahead for the year, though our business the last five months has not been quite so good. Strangely enough our average policy is a little larger but the number of cases is not quite as large."

"Our average policy for the first ten months is \$7,115 as compared to \$6,818 for the same period last year, but we are short 231 policies. I believe the increased average policy can be attributed largely to the proper selection of prospects."

"We have not been writing as many cases, but the average policy has been larger. This is not true to form. During the month of November practically all cases were in excess of \$5,000."

Talk and Think Too Much About Hard Times

"Other agencies, while not able to report larger average policies or greater volume, find that the premium income has increased. We have talked and thought too much about hard times; agents have convinced themselves that there is no use of seeing people. Yet, as a matter of fact, most people have as much (or more) money to spend as ever and, while their resistance may be up, they are more susceptible to intelligent presentations of life insurance ideas than ever before. It is wise, of course, to recognize that it is a little more difficult to get business, and take the necessary steps to meet the situation. For the experienced, skillful old agent, this may mean only a little more sales effort—one more interview per day. For others it may mean this, plus more careful prospecting. For all it should raise the question: 'Am I capitalizing on present conditions which make life insurance more than ever necessary and desirable?'"

Hull's Anti-depression Plan in Third Edition

NEW YORK, Dec. 31.—In view of the enthusiastic reception accorded the campaign of the National Association of Life Underwriters to combat depression hysteria with intelligent investigation of the facts, R. B. Hull, managing director, reveals the identity of the hitherto unnamed agent whose plan suggested the campaign to him. He is C. T. Wardwell, manager Equitable Life of New York at Peoria, Ill. Mr. Hull's reason for referring to him anonymously was to prevent agents in other parts of the country discounting the idea by telling themselves, "Oh, yes, that plan might work in Peoria, but it wouldn't work here." The original bulletin describing the plan is now in its third edition and more than 15,000 copies have been distributed through various channels, including the Life Insurance Sales Research Bureau.

Program Now Taking Shape for Indiana Insurance Day

Plans for Indiana Insurance Day, to be held with a one-day program in Indianapolis Jan. 20, are shaping up, according to Ross E. Coffin, general chairman and vice-president of the Insurance Federation of Indianapolis. Registration will start Jan. 19, and it is expected that there will be approximately 1,000 in attendance.

The morning session will be divided into two groups, one for life and the other for fire and casualty. A combined noon luncheon will be followed by an address by an outstanding speaker. Members of the legislature, then in session, will be invited to attend as guests.

The afternoon session includes the annual meeting and election of officers of the Insurance Federation of Indiana, and a sales school to be conducted by the Indiana Association of Life Underwriters. Speakers and coaches will include some of the leading personal producers of the country and will be open to fire and casualty agents.

Tuesday evening there will be a dance, with special entertainment features.

Following are chairmen of committees: Speakers, C. O. Bray and H. A. Luckey; finance, J. J. Fitzgerald, A. L. Riggsbee; registration, C. F. Merrell; publicity, H. L. Barr; entertainment, Joseph W. Stickney; reception, Van Y. Duncan; program, E. W. Hoover.

ASSOCIATIONS

(CONTINUED FROM PAGE 18)

National Association of Life Underwriters and a former president of the New York association.

Chicago—President Parkinson of the Equitable Life of New York will address the Chicago association Jan. 16.

South Bend, Ind.—The South Bend association at its last luncheon meeting heard a report by Argyle Brown, manager of the Mutual Life of New York and a director of the association, of the recent sales congress in Chicago.

Winnipeg, Can.—At the recent annual meeting of the Life Underwriters Association of Winnipeg, developments of the year were reviewed by Robert Schofield, retiring president, and the following officers were elected: President, W. A. Kennedy; first vice-president, E. Honselwood; second vice-president, I. M. Ritchie; secretary, E. F. Elsey, treasurer, J. W. Caldwell.

Spokane, Wash.—A gain of 4 percent in Spokane life insurance sales in 1930 was estimated by Morris Rosauer, president, at the Spokane association's December meeting. Talks were made by W. H. Talley, New York Life; H. Adamson, Northern Life, and Joseph Whalen, Union Central Life.

Wanted—salesman and manager. A well established life insurance agency with high grade clientele desires to negotiate with experienced life insurance producer to take charge and develop life department in northeastern Ohio territory with headquarters at Akron, Ohio. Salary and division of profit basis. In reply state age, details of personal history as well as business experience. Address S-29, The National Underwriter.

Los Angeles—"Eventually" with Roy Ray Roberts

The State Mutual Life has undertaken an extensive program of expansion in California. The Los Angeles agency welcomes you and offers modern contracts in an agency using the most up-to-date methods. Write us about our "Adaptation Plans." Roy Ray Roberts, General Agent, State Mutual Life Insurance Company, Roosevelt Bldg., Los Angeles.



**CONSERVATION
AND
RECLAMATION
OF
LIFE INSURANCE**

THE OTIS HANN COMPANY, INC.
JACK ROBERTS HANN, PRES.

**333 No. MICHIGAN AVE.
CHICAGO**

Selling Plans of Stars

Just a word
about the E. L. U.
Not C. L. U., although
the E. L. U.
is a first class
preliminary test
for those contemplating
the C. L. U.
The Essentials
of Life Underwriting
is a training course
for Life Underwriters.
The best in the world
according to Presidents,
Superintendents of Agencies,
General Agents—Managers
and Agents.
It is sold
for \$36
on a money-back
guarantee
if it doesn't
increase production
and satisfy you.
Developed, published
and guaranteed by

The Diamond Life Bulletins

420 E. 4th St., Cincinnati

"They Do Tell—How Men Sell"

THE INVESTMENT TRUST SERVICE OF LIFE INSURANCE

—By Albert G. Borden.... Price \$1.50

Shows the various ways that life insurance can serve in the administration of an estate. Includes many illustrations and graphs. Order from The National Underwriter, A1946 Insurance Exchange, Chicago.

Accident and Health Producers

SOME POINTERS IN THE NEW TIME SAVER

Just Out!

- 1.** Many companies have adopted the policy of charging extra premiums for accidental death benefits to older ages. Information on this will be found in the new Time Saver.
- 2.** Many rate revisions have been made since last year. Almost without exception these revisions were upward.
- 3.** Since the last Time Saver was issued many companies have put into effect what is known as the medical expense rider. Under this rider the company agrees to pay up to a certain definite amount for hospital, nurse and other medical expenses. This rider or policies including its provisions, are the ones which are being pushed in the commercial field so that anyone without information on this will be greatly handicapped in talking about policy coverage.
- 4.** Since last year's edition of the Time Saver, many companies have changed their rate classification systems to use letters, A, B, etc., instead of, Select, Preferred, etc.
- 5.** An analysis of the disability clauses used by all life insurance companies which wrote \$1,000,000 or more premiums in 1929 will be included in the new Time Saver. Since the rates for the life disability clause are increased and the terms are less favorable, the field for regular accident and health insurance is greatly stimulated. Analysis is up to date. All life companies changed disability clauses since the last Time Saver was published.
- 6.** Non-cancellable policies and rates for several of the companies have changed. The Federal Life for instance, has modified the contract and increased the rates. The Connecticut General Life and several other companies which were in the non-cancellable field have withdrawn entirely. The Pacific Mutual Life's rates were changed. The Business Men's Assurance rates were changed.

988 PAGES—ANALYSIS OF POLICIES OF 88 LEADING COMPANIES

The National Underwriter Company,
420 E. Fourth Street,
Cincinnati, Ohio.

Gentlemen: Send me copies of the new edition of the Time Saver
at \$4.00 a copy.

Name
Street
City
State

Maybe You Need A New Pair of Glasses

As you look into the New Year, 1931, what do you see? How is your vision—what is your mental attitude as you contemplate the coming twelve months and the opportunities offered?

During 1930, too many of us had been looking through "dark glasses." As we turn to 1931, we need a new vision—a new mental attitude.

Such a new outlook will stir up new ambitions—will encourage us to attempt bigger things, fix a bigger goal—and will inspire new ideas and new ways of meeting that goal.

We extend to every insurance representative, in every line, our heartiest best wishes for continued Health, Happiness and Prosperity as we enter the great new year of 1931.



MISSOURI STATE LIFE INSURANCE COMPANY

HILLSMAN TAYLOR, *President*
ST. LOUIS

More than a Billion and a Quarter Dollars of Life Insurance in force